STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: ST UO 1207	6. SURFACE: State
7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
8. UNIT or CA AGREEMENT NAME: 891008900A	
9. WELL NAME and NUMBER: NBU 922-29NT	
10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field	
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 29 9S 22E	
12. COUNTY: Uintah	13. STATE: UTAH

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP

3. ADDRESS OF OPERATOR: P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779 PHONE NUMBER: (720) 929-6226

4. LOCATION OF WELL (FOOTAGES) 630884X 4428911Y 40.062146 -109.466703
AT SURFACE: 845' FSL & 1627' FWL LAT 40.002136 LON -109.466794 (NAD 27)
AT PROPOSED PRODUCING ZONE: N/A

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 23.7 miles northeast of Ouray, Utah

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
845'	400	40
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
20'	9,300	RLB0005237
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
4933'		10 days

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
12 1/4"	9 5/8"	J-55	36#	2300' ~~2,340~~	Premium Cement	215 sx	1.18	15.6
					Premium Cement	100 sx	1.18	15.6
7 7/8"	4 1/2"	I-80	11.6#	9,300	Premium Lite II	470 sx	3.38	11.0
					50/50 Poz G	1540 sx	1.31	14.3

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☑ COMPLETE DRILLING PLAN
☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kevin McIntyre TITLE Regulatory Analyst I

SIGNATURE [signature] DATE 6/25/2008

(This space for State use only)

API NUMBER ASSIGNED: 43047401 74

Approved by the Utah Division of Oil, Gas and Mining

APPROVAL:

Date: 09-02-08

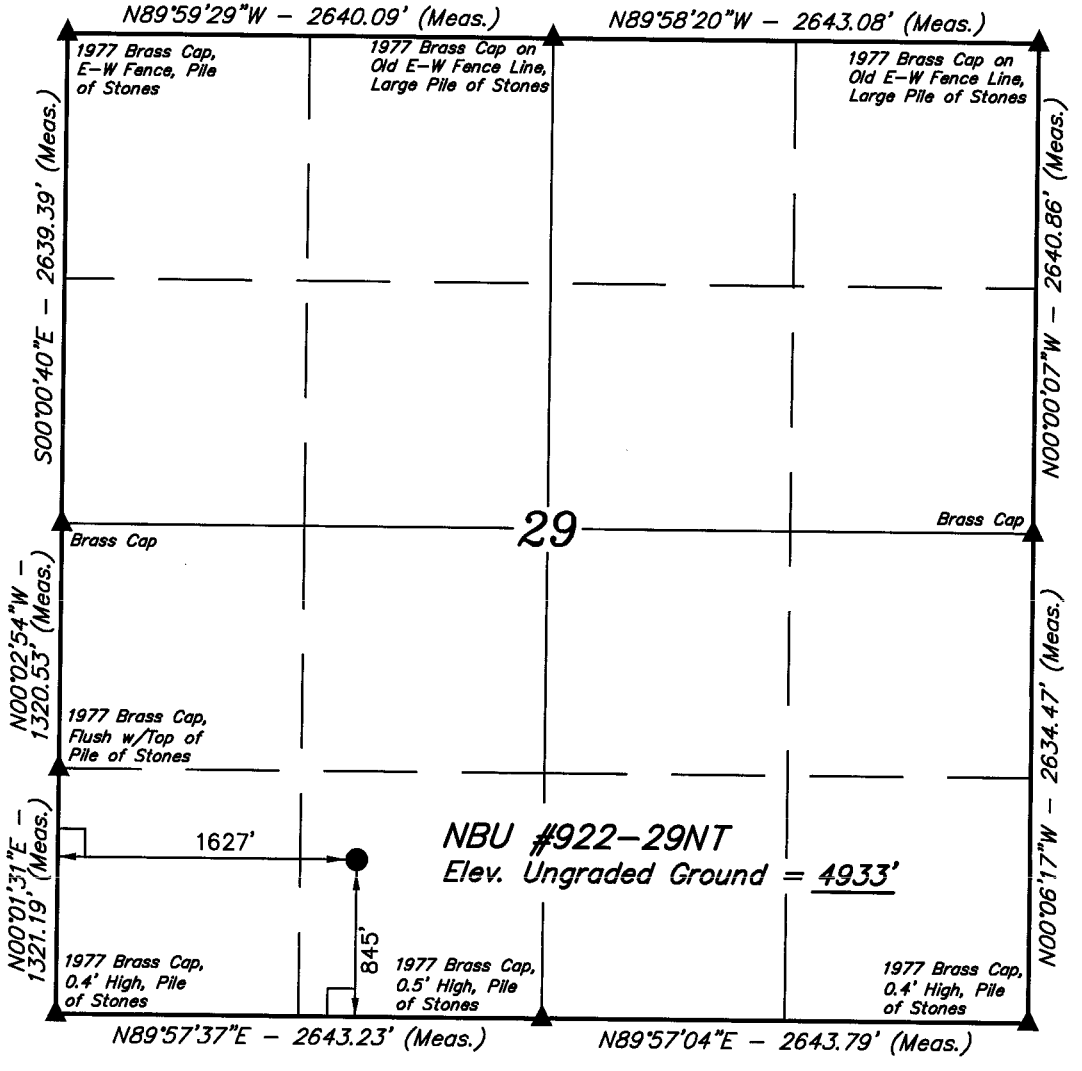
(See Instructions on Reverse Side)

By: [signature]

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING

(11/2001)

T9S, R22E, S.L.B.&M.



Kerr-McGee Oil & Gas Onshore LP

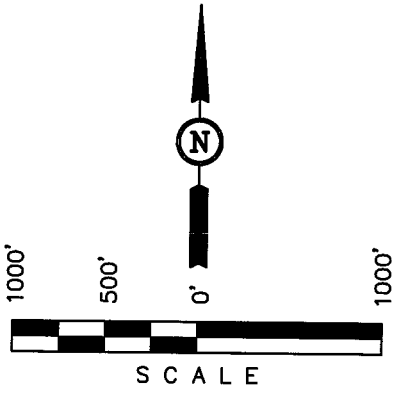
Well location, NBU #922-29NT, located as shown in the SE 1/4 SW 1/4 of Section 29, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

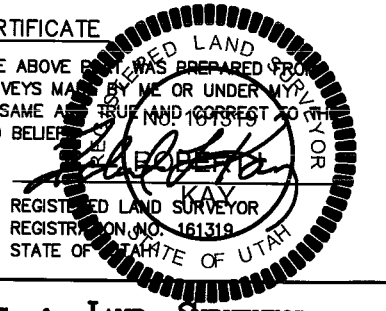
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH



LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°00'07.56" (40.002100)
LONGITUDE = 109°28'02.93" (109.467481)
(NAD 27)
LATITUDE = 40°00'07.69" (40.002136)
LONGITUDE = 109°28'00.46" (109.466794)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	05-22-08	06-11-08
PARTY: L.K. D.D. C.H.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: Kerr-McGee Oil & Gas Onshore LP	

NBU 922-29NT
SESW Sec. 29, T9S,R22E
UINTAH COUNTY, UTAH
ST UO 1207

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

Formation	Depth
Uinta	0- Surface
Green River	1343'
Birds Nest	1649'
Mahogany	2110'
Wasatch	4567'
Mesaverde	7127'
MVU2	8061'
MVL1	8624'
TD	9300'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

Substance	Formation	Depth
	Green River	1343'
Water	Birds Nest	1649'
Water	Mahogany	2110'
Gas	Wasatch	4567'
Gas	Mesaverde	7127'
Gas	MVU2	8061'
Gas	MVL1	8624'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9300' TD, approximately equals 5766 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3720 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.
Onshore Order #2 – Air Drilling Variance
Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background
In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements
The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements
Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements
Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

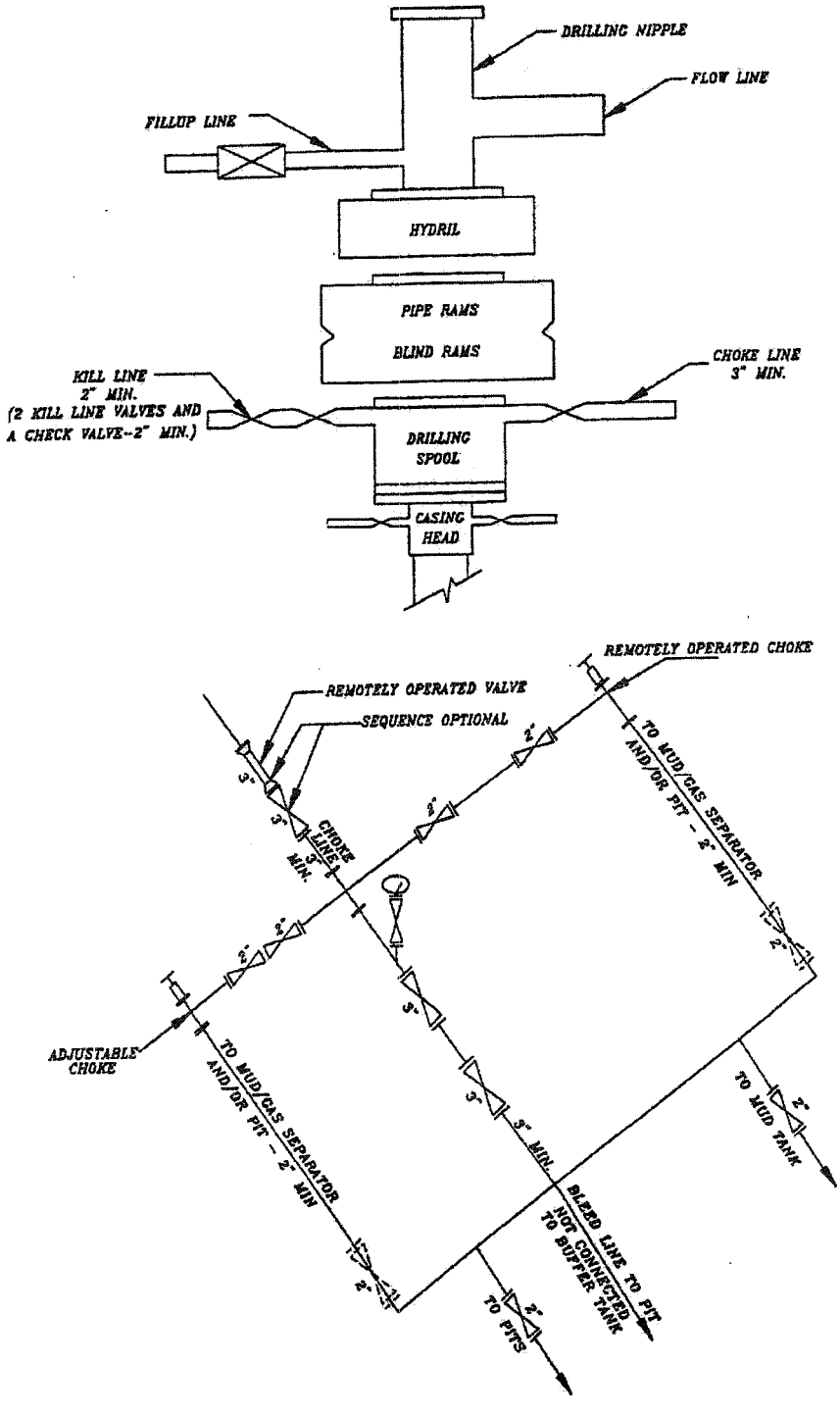
Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Conclusion
The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

Please refer to the attached Drilling Program.

EXHIBIT A



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

NBU 922-29NT
SESW Sec. 29, T9S, R22E
UINTAH COUNTY, UTAH
ST UO 1207

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

The existing road for the CIGE #24 will be utilized. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

No new access road is proposed. Refer to Topo Map B for the location of the existing access road.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

No new pipeline utilizing the existing CIGE #24 pipeline. No TOPO D attached.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E. CIGE 112D SWD – SESE, SECTION 19, T9S, R21E, NBU 47N2 SWD – SESW, SECTION 30, T10S, R22E, NBU 159 SWD – NESW, SECTION 35, T9S, R21E, NBU 347 – NWSW, SECTION 11, T10S, R22E, Ouray #1 SWD – NENE SECTION 1, T9S, R21E, Pipeline Facility Sec. 36, T9S, R20E,Goat Pasture Evaporation Pond SW/4 Sec. 16, T10S, R22E, Bonanza Evaporation Pond Sec. 2, T10S, R23E

8. **Ancillary Facilities:**
None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface/Mineral Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed and will be submitted.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Kevin McIntyre
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
PO BOX 173779
Denver, CO 80217-3779
(720) 929-6226

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Kevin McIntyre

6/25/2008
Date

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP	DATE	June 25, 2008
WELL NAME	**NBU 922-29NT**	TD	9,300' MD/TVD
FIELD	Natural Buttes	COUNTY Uintah STATE Utah	ELEVATION 4,933' GL KB 4,948'
SURFACE LOCATION	SESW 845' FSL & 1627' FWL, Sec. 29, T 9S R 22E		BHL Straight Hole
	Latitude: 40.002136 Longitude: -109.466794		NAD 27
OBJECTIVE ZONE(S)	Wasatch/Mesaverde		
ADDITIONAL INFO	Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.		

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'	14"		
			12-1/4"	9-5/8", 36#, J-55, LTC	Air mist
Catch water sample, if possible, from 0 to 4,567'					
	Green River @	**1,343'**			
	Top of Birds Nest Water @	**1,649'**			
	Mahogany @	**2,110'**			
	Preset f/ GL @	**2,300' MD**			
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the acutal depth of the loss zone.					
Mud logging program TBD Open hole logging program f/ TD - surf csg					Water/Fresh Water Mud 8.3-11.5 ppg
	Wasatch @	**4,567'**	7-7/8"	4-1/2",11.6#, I-80 or equivalent LTC casing	
	Mverde @	**7,127'**			
	MVU2 @	**8,061'**			
	MVL1 @	**8,624'**			
	TD @	**9,300'**			Max anticipated Mud required 11.8 ppg

KerrMcGee

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
						3520	2020	453000
SURFACE	9-5/8"	0 to 2,300'	36.00	J-55	LTC	0.96	1.88	6.25
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9300	11.60	I-80	LTC	2.13	1.11	2.13

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.8 ppg) .22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 3720 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1							
	TOP OUT CMT (1)	250	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	100		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	2000	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	230	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,060'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	440	60%	11.00	3.38
	TAIL	5,240'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1470	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____ **DATE:** _____

Brad Laney

DRILLING SUPERINTENDENT: _____ **DATE:** _____

Randy Bayne

Kerr-McGee Oil & Gas Onshore LP
NBU #922-29NT
SECTION 29, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN AN NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY, THEN SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATLEY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN EASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION FOR APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED NORTHWESTERLY, THEN NORTHERLY APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION NBU#922-29NT.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.7 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #922-29NT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 29, T9S, R22E, S.L.B.&M.

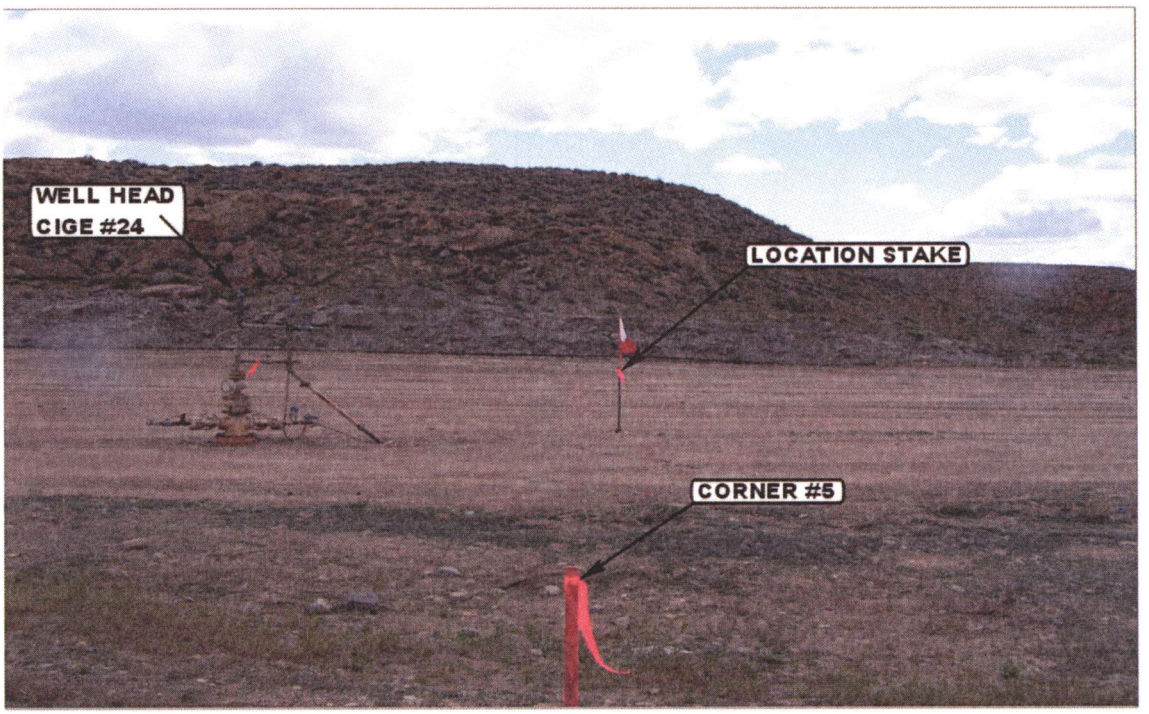


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHWESTERLY

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

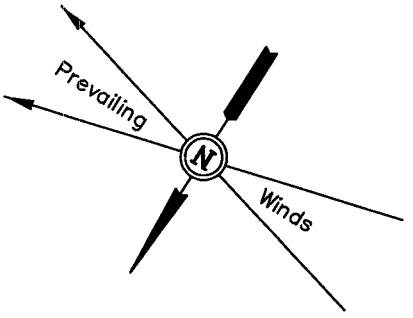
LOCATION PHOTOS	06 MONTH	04 DAY	08 YEAR	PHOTO
TAKEN BY: L.K.	DRAWN BY: J.J.	REVISED: 00-00-00		

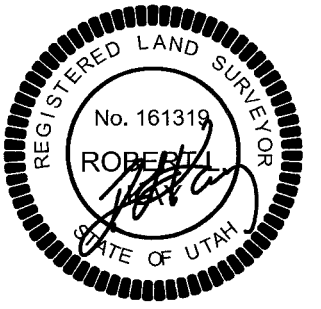
Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

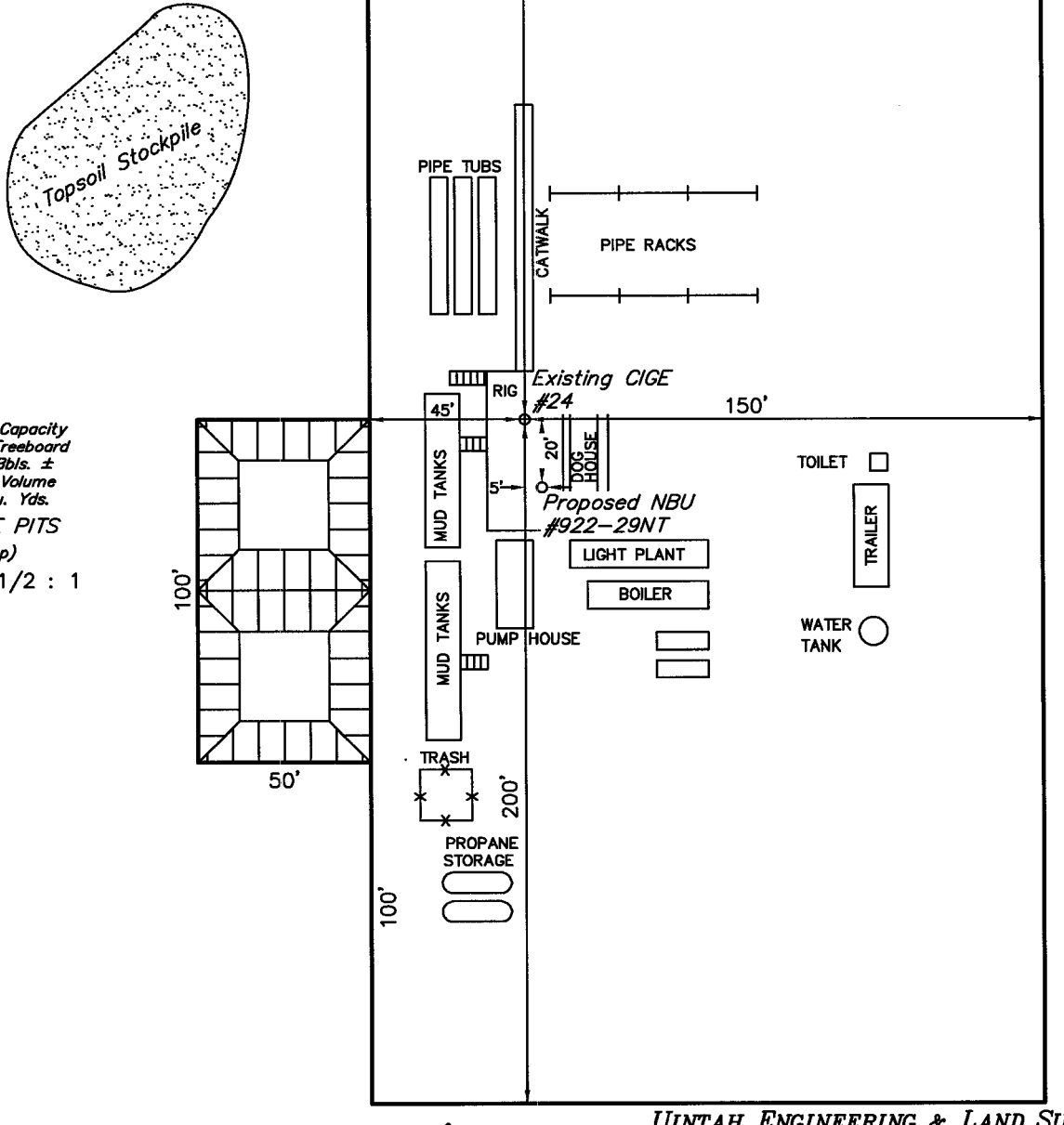
LOCATION LAYOUT FOR

NBU #922-29NT
SECTION 29, T9S, R22E, S.L.B.&M.
845' FSL 1627' FWL





SCALE: 1" = 50'
DATE: 06-11-08
Drawn By: C.H.



Total Pit Capacity
W/2' of Freeboard
= 3,210 Bbls. ±
Total Pit Volume
=1,010 Cu. Yds.

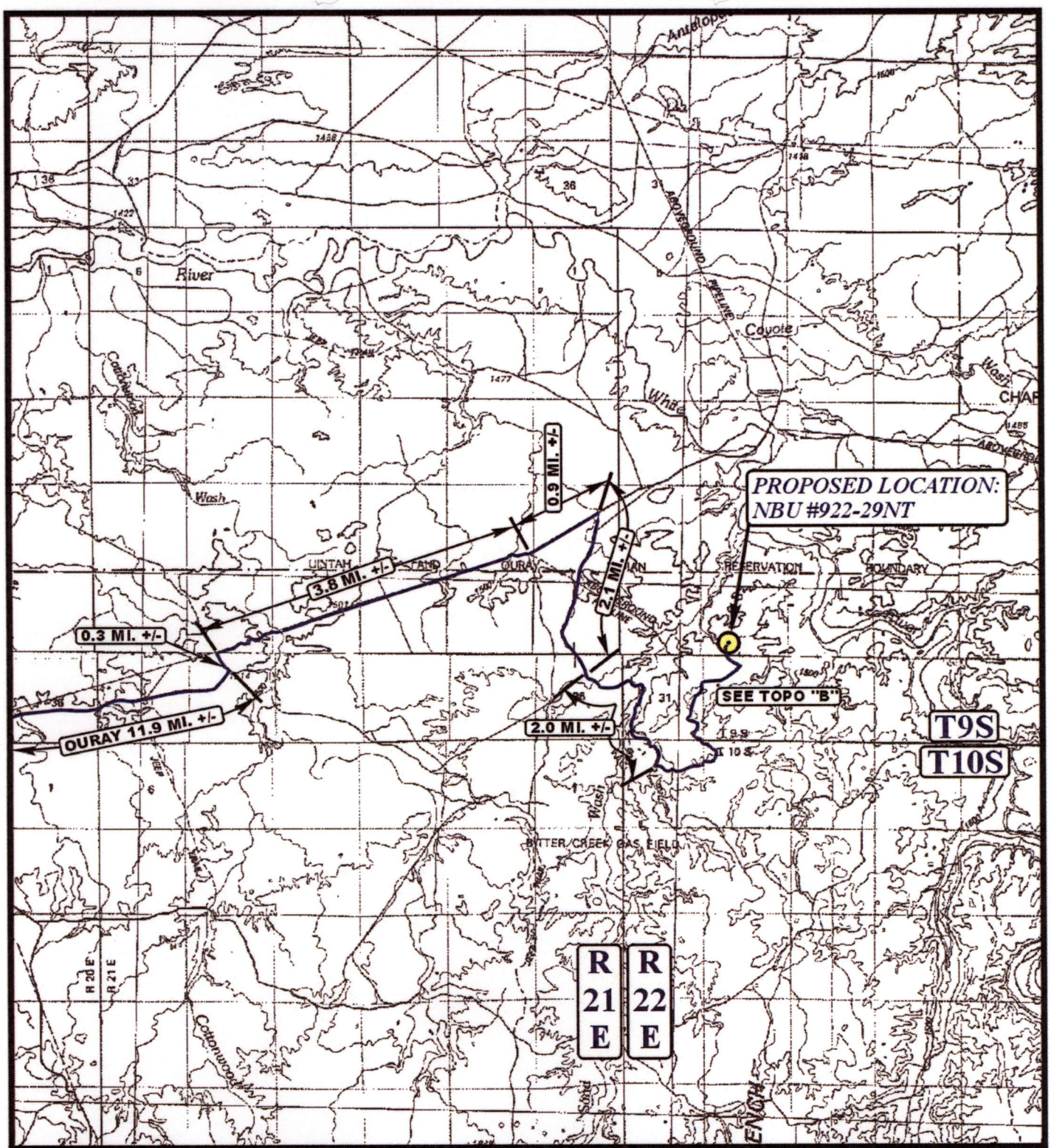
RESERVE PITS
(8' Deep)

SLOPE 1 1/2 : 1

NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4933.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

PROPOSED LOCATION

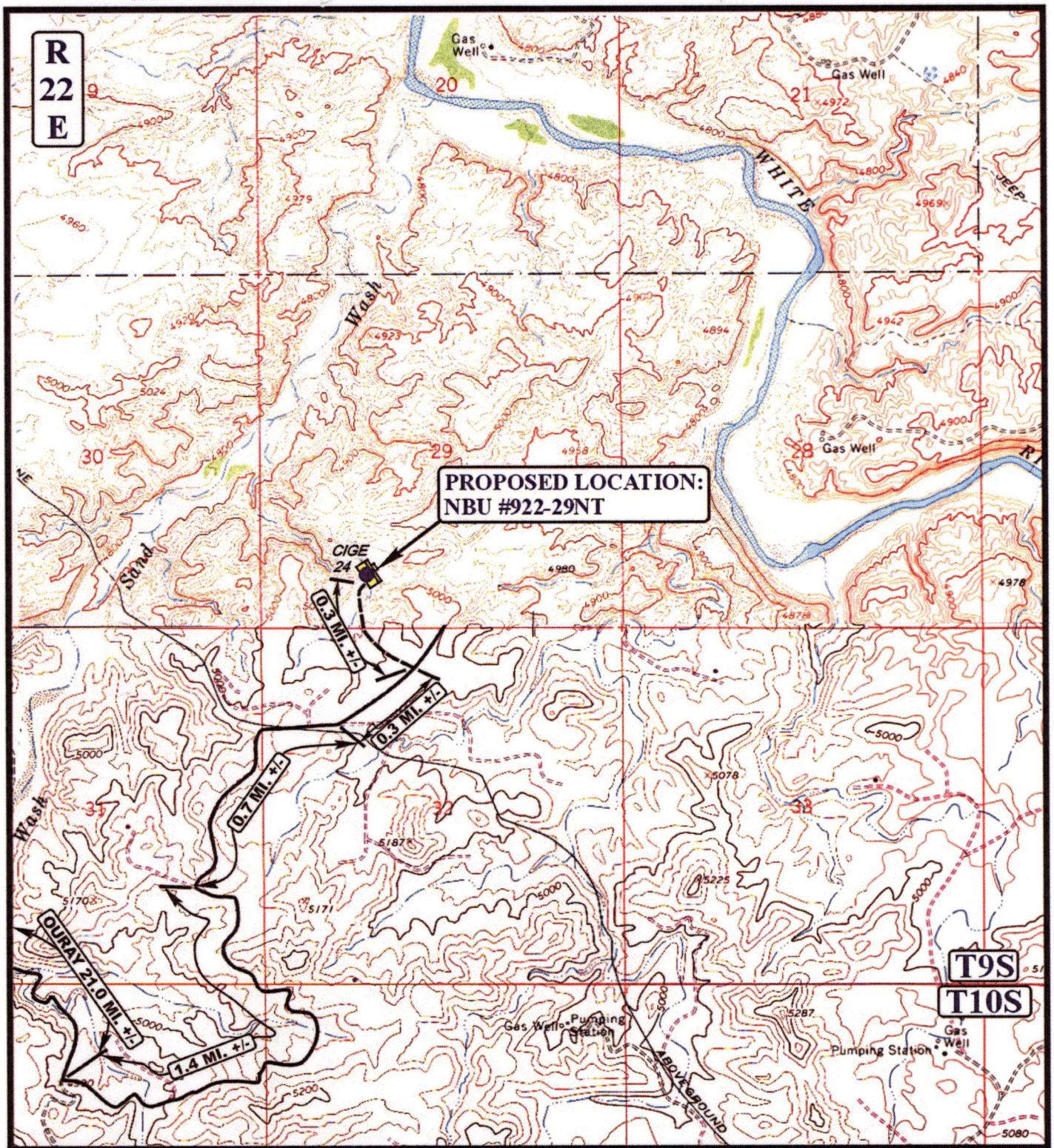
N

Kerr-McGee Oil & Gas Onshore LP

NBU #922-29NT
SECTION 29, T9S, R22E, S.L.B.&M.
845' FSL 1627' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	04 DAY	08 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: J.J.	REVISED: 00-00-00		



LEGEND:

EXISTING ACCESS ROAD

EXISTING ROAD

N

Kerr-McGee Oil & Gas Onshore LP

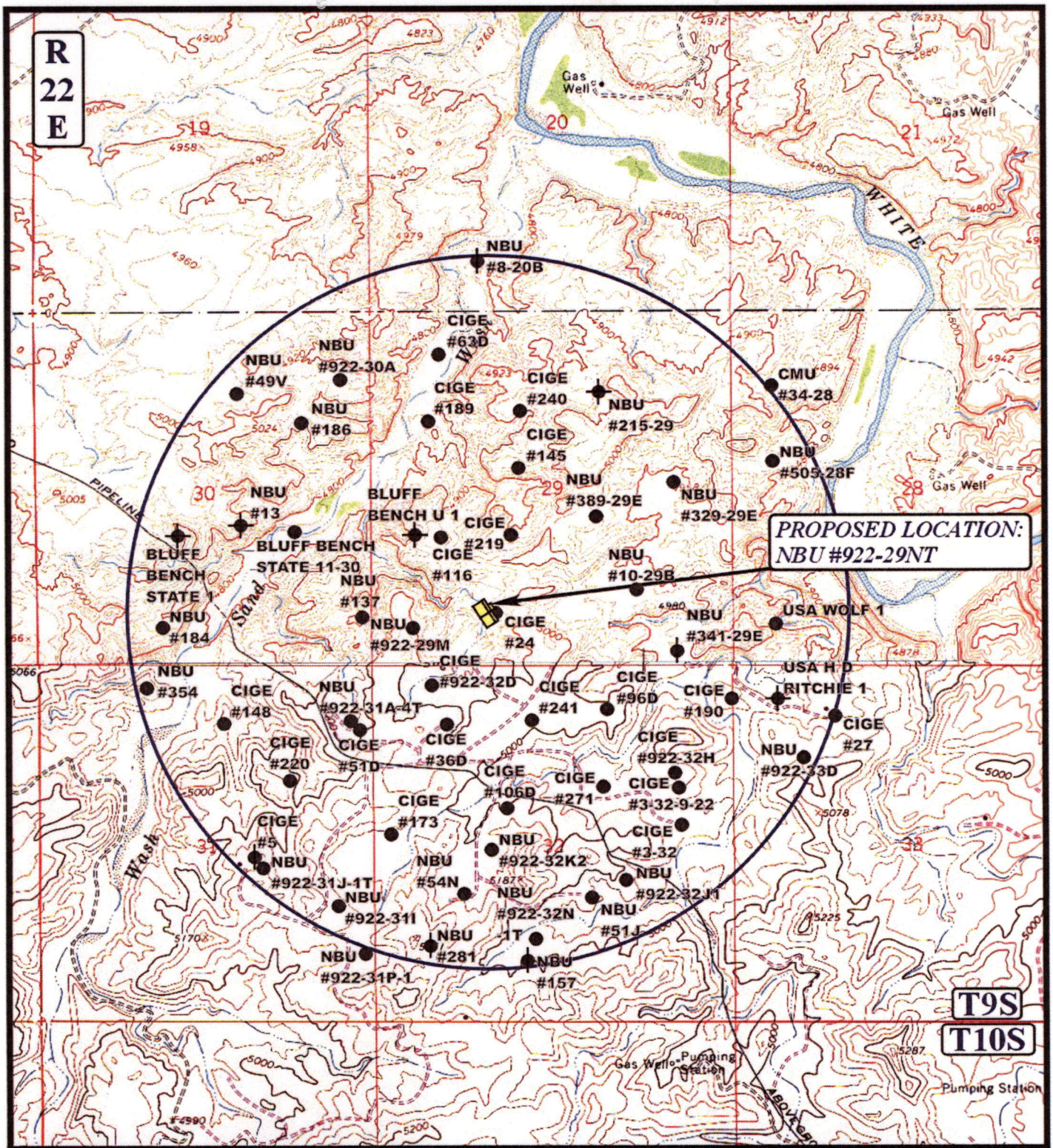
NBU #922-29NT

SECTION 29, T9S, R22E, S.L.B.&M.

845' FSL 1627' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	04 DAY	08 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: J.J.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

Kerr-McGee Oil & Gas Onshore LP

NBU #922-29NT

SECTION 29, T9S, R22E, S.L.B.&M.

845' FSL 1627' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	04 DAY	08 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: J.J.	REVISED: 00-00-00		

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/27/2008

API NO. ASSIGNED: 43-047-40176

WELL NAME: NBU 922-29NT

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 720-929-6226

CONTACT: KEVIN MCINTYRE

PROPOSED LOCATION:

SESW 29 090S 220E

SURFACE: 0845 FSL 1627 FWL

BOTTOM: 0845 FSL 1627 FWL

COUNTY: UINTAH

LATITUDE: 40.00215 LONGITUDE: -109.4667

UTM SURF EASTINGS: 630884 NORTHINGS: 4428911

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	8/28/08
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ST UO 1207

PROPOSED FORMATION: WSMVD

SURFACE OWNER: 3 - State

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)

N Potash (Y/N)

Y Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 43-8496)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: NATURAL BUTTES

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

✓ Drilling Unit

Board Cause No: 173-14

Eff Date: 12-2-1999

Siting: 460' fr u bdrs & Uncomm. Tract

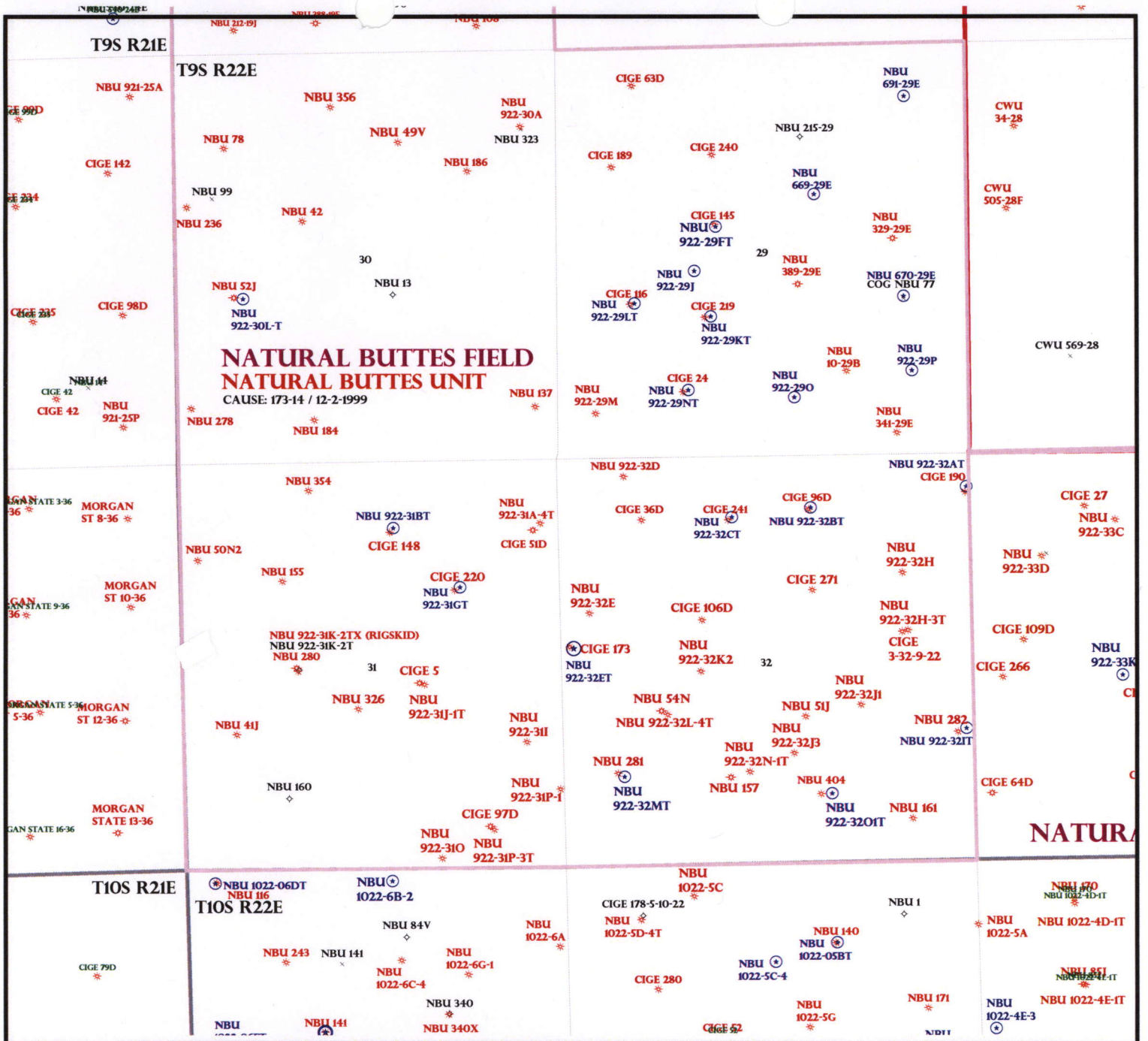
___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (06-18-08)

STIPULATIONS: 1- STATEMENT OF BASIS

2- OIL SHALE

3- Surface Csg Cmt Stip



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 29,31,32 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

UTAH DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 14-JULY-2008

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
860	43-047-40176-00-00		GW	S	No

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P. **Surface Owner-APD**
Well Name NBU 922-29NT **Unit**
Field UNDESIGNATED **Type of Work**
Location SESW 29 9S 22E S 845 FSL 1627 FWL GPS Coord (UTM) 630884E 4428911N

Geologic Statement of Basis

Kerr McGee proposes to set 2,340' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 2,900'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location . The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The production casing cement should be brought up above the base of the moderately saline ground water in order to isolate it from fresher waters up hole. The proposed casing and cement should adequately protect. Any usable ground water.

Brad Hill — 8/11/2008
APD Evaluator — **Date / Time**

Surface Statement of Basis

The proposed NBU 922-29NT gas well is on the existing location of the CIGE #24 gas well. This well is planned to be plugged. A reserve pit will be re-dug in the northeast corner of the location. Spoils from the reserve pit will be stored to the east of the pit as there is a gulley to the north. The existing pad appears to be stable and should present no problems for drilling and operating the proposed well.

6/18/2008
Onsite Evaluator — **Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.
Well Name NBU 922-29NT
API Number 43-047-40176-0 **APD No** 860 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SESW **Sec** 29 **Tw** 9S **Rng** 22E 845 FSL 1627 FWL
GPS Coord (UTM) 630875 4428909 **Surface Owner**

Participants

Floyd Bartlett and David Hackford (DOGM), Jim Davis (SITLA), Raleen White, Clay Einerson and Tony Kzneck (Kerr McGee) and David Kay (Uintah Engineering and Land Surveying).

Regional/Local Setting & Topography

The proposed NBU 922-29NT gas well is on the existing location of the CIGE #24 gas well. This well is planned to be plugged. A reserve pit will be re-dug in the northeast corner of the location. Spoils from the reserve pit will be stored to the east of the pit as there is a gulley to the north. The existing pad appears to be stable and should present no problems for drilling and operating the proposed well.

Surface Use Plan

Current Surface Use

Existing Well Pad

New Road Miles	Well Pad Width	Well Pad Length	Src Const Material	Surface Formation

Ancillary Facilities

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland

Flora / Fauna

Existing well pad.

Soil Type and Characteristics

Erosion Issues

Sedimentation Issues

Site Stability Issues

Drainage Diverson Required

Berm Required?

Erosion Sedimentation Control Required?

Paleo Survey Run?	Paleo Potental Observed?	Cultural Survey Run?	Cultural Resources?

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)		
Distance to Other Wells (feet)	<300	20
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	35 1 **Sensitivity Level**

Characteristics / Requirements

. A reserve pit will be re-dug in the northeast corner of the location. Spoils from the reserve pit will be stored to the east of the pit as there is a gulley to the north.

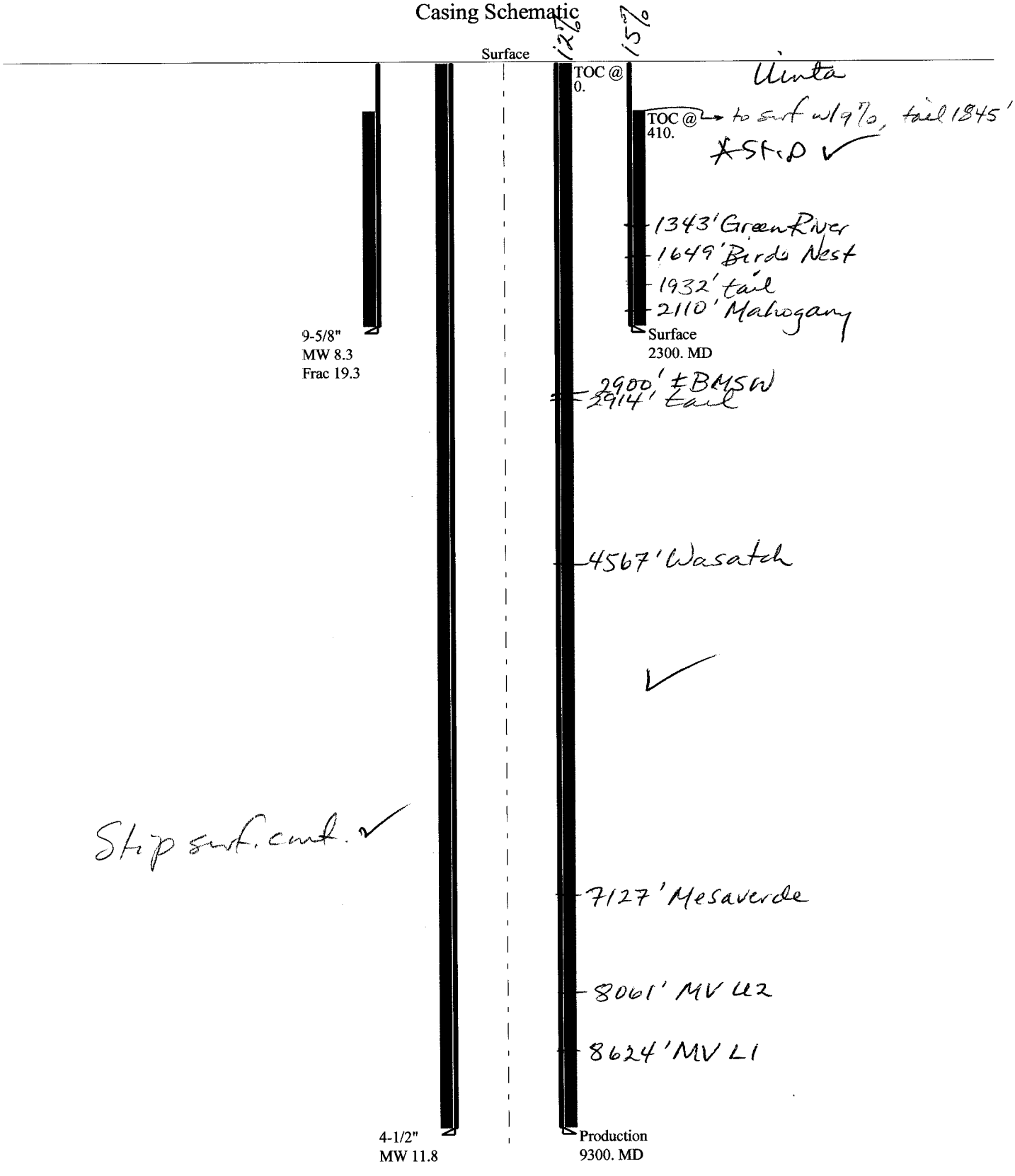
Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

	6/18/2008
Evaluator	**Date / Time**

43047401760000 NBU 921-27LT

Casing Schematic



Well name:	**43047401760000 NBU 921-27LT**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Surface
Project ID:	43-047-40176-0000
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,016 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 107 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 410 ft

Completion type is subs
Non-directional string.

Re subsequent strings:
Next setting depth: 9,300 ft
Next mud weight: 11.800 ppg
Next setting BHP: 5,701 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2300	9.625	36.00	J-55	LT&C	2300	2300	8.796	998.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	995	2020	2.030	2300	3520	1.53	73	453	6.24 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: August 19,2008
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**43047401760000 NBU 921-27LT**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Production
Project ID:	43-047-40176-0000
Location:	Uintah County, Utah

Design parameters:

Collapse

Mud weight:	11.800 ppg
Internal fluid density:	2.300 ppg

Burst

Max anticipated surface pressure:	3,655 psi
Internal gradient:	0.220 psi/ft
Calculated BHP	5,701 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor	1.125

Burst:

Design factor	1.00

Tension:

8 Round STC:	1.80 (J)
8 Round LTC:	1.80 (J)
Buttress:	1.60 (J)
Premium:	1.50 (J)
Body yield:	1.50 (B)

Tension is based on buoyed weight.
Neutral point: 7,660 ft

Environment:

H2S considered?	No
Surface temperature:	75 °F
Bottom hole temperature:	205 °F
Temperature gradient:	1.40 °F/100ft
Minimum section length:	1,500 ft
Cement top:	Surface

Completion type is subs
Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	9300	4.5	11.60	I-80	LT&C	9300	9300	3.875	811.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4590	6360	1.386	5701	7780	1.36	89	212	2.39 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: August 18,2008
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9300 ft, a mud weight of 11.8 ppg An internal gradient of .119 psi/ft was used for collapse from TD
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

BOPE REVIEW — Kerr-McGee NBU 922-29NT API 43-047-40176-0000

INPUT

Well Name	Kerr-McGee NBU 922-29NT API 43-047-40176-0000			
	String 1	String 2		
Casing Size (")	9 5/8	4 1/2		
Setting Depth (TVD)	2300	9300		
Previous Shoe Setting Depth (TVD)	20	2300		
Max Mud Weight (ppg)	8.4	11.8	✓	
BOPE Proposed (psi)	500	5000		
Casing Internal Yield (psi)	3520	7780		
Operators Max Anticipated Pressure (psi)	5766	11.9 ppg	✓	

Calculations	String 1	9 5/8 "		
Max BHP [psi]	.052*Setting Depth*MW =	1005		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	729	NO	Air Drill to surface shoe with diverter
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	499	YES	
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	503	NO	No expected pressures - Birds Nest LC zone possible
Required Casing/BOPE Test Pressure		2300 psi		
*Max Pressure Allowed @ Previous Casing Shoe =		20 psi	*Assumes 1psi/ft frac gradient	

Calculations	String 2	4 1/2 "		
Max BHP [psi]	.052*Setting Depth*MW =	5706		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	4590	YES ✓	
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	3660	YES	
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	4166	NO	Reasonable
Required Casing/BOPE Test Pressure		5000 psi		
*Max Pressure Allowed @ Previous Casing Shoe =		2300 psi	*Assumes 1psi/ft frac gradient	

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

July 15, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Natural Buttes Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Wasatch/MesaVerde)		
43-047-40184	NBU 921-30FT	Sec 30 T09S R21E 1585 FNL 2614 FWL
43-047-40185	NBU 921-31BT	Sec 31 T09S R21E 0670 FNL 2008 FEL
43-047-40170	NBU 921-27KT	Sec 27 T09S R21E 1527 FSL 1821 FWL
43-047-40171	NBU 921-27MT	Sec 27 T09S R21E 0634 FSL 0931 FWL
43-047-40172	NBU 921-27OT	Sec 27 T09S R21E 0646 FSL 2211 FEL
43-047-40173	NBU 921-27HT	Sec 27 T09S R21E 2025 FNL 0623 FEL
43-047-40174	NBU 921-27LT	Sec 27 T09S R21E 1954 FSL 0641 FWL
43-047-40175	NBU 921-33K	Sec 33 T09S R21E 2066 FSL 1926 FWL
43-047-40227	NBU 921-27C2D	Sec 27 T09S R21E 0650 FNL 1730 FWL
43-047-40203	NBU 921-27D2DS	Sec 27 T09S R21E 0660 FNL 1713 FWL
	BHL	Sec 27 T09S R21E 0395 FNL 0350 FWL
43-047-40202	NBU 921-27D2AS	Sec 27 T09S R21E 0640 FNL 1747 FWL
	BHL	Sec 27 T09S R21E 0050 FNL 0350 FWL
43-047-40201	NBU 921-27C2AS	Sec 27 T09S R21E 0630 FNL 1765 FWL
	BHL	Sec 27 T09S R21E 0300 FNL 1730 FWL
43-047-40169	NBU 921-26IT	Sec 26 T09S R21E 1964 FSL 0674 FEL
43-047-40176	NBU 922-29NT	Sec 29 T09S R22E 0845 FSL 1627 FWL
43-047-40177	NBU 922-29KT	Sec 29 T09S R22E 1795 FSL 1936 FWL
43-047-40178	NBU 922-31BT	Sec 31 T09S R22E 0888 FNL 2191 FEL

43-047-40179	NBU 922-32ET		Sec 32	T09S	R22E	2477	FNL	0094 FWL
43-047-40186	NBU 922-33OT		Sec 33	T09S	R22E	0692	FSL	1465 FEL
43-047-40187	NBU 922-33NT		Sec 33	T09S	R22E	0890	FSL	2291 FWL
43-047-40188	NBU 922-33IT		Sec 33	T09S	R22E	2115	FSL	0579 FEL
43-047-40191	NBU 1022-04GT		Sec 04	T10S	R22E	1897	FNL	1861 FEL
43-047-40189	NBU 922-35IT		Sec 35	T09S	R22E	2133	FSL	0627 FEL
43-047-40190	NBU 1022-01CT		Sec 01	T10S	R22E	0819	FNL	2106 FWL
43-047-40192	NBU 1022-08IT		Sec 08	T10S	R22E	1757	FSL	0323 FEL
43-047-40193	NBU 1022-08GT		Sec 08	T10S	R22E	2313	FNL	1922 FEL
43-047-40194	NBU 1022-09AT		Sec 09	T10S	R22E	0472	FNL	0582 FEL
43-047-40195	NBU 1022-10HT		Sec 10	T10S	R22E	1798	FNL	0297 FEL
43-047-40196	NBU 1022-10FT		Sec 10	T10S	R22E	2200	FNL	2094 FWL
43-047-40204	NBU 1022-32D1S		Sec 32	T10S	R22E	0205	FNL	2058 FWL
		BHL	Sec 32	T10S	R22E	0270	FNL	1310 FWL
43-047-40205	NBU 1022-32D4AS		Sec 32	T10S	R22E	0198	FNL	2077 FWL
		BHL	Sec 32	T10S	R22E	0760	FNL	1180 FWL
43-047-40206	NBU 1022-32B3S		Sec 32	T10S	R22E	0185	FNL	2114 FWL
		BHL	Sec 32	T10S	R22E	1150	FNL	2130 FEL
43-047-40207	NBU 1022-32D4DS		Sec 32	T10S	R22E	0192	FNL	2096 FWL
		BHL	Sec 32	T10S	R22E	1240	FNL	1050 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:7-15-08

From: Jim Davis
To: Bonner, Ed; Mason, Diana; Raleen.White@anadarko.com
Date: 8/7/2008 11:04 AM
Subject: Kerr McGee Approvals

The following wells have been granted approval by the trust lands Administration, including arch and paleo clearance.

4304740169	NBU 921-26IT	Kerr-McGee Oil & Gas	Natural Buttes	NESE	26	090S	210E
4304740170	NBU 921-27KT	Kerr-McGee Oil & Gas	Natural Buttes	NESW	27	090S	210E
4304740171	NBU 921-27MT	Kerr-McGee Oil & Gas	Natural Buttes	SWSW	27	090S	210E
4304740172	NBU 921-27OT	Kerr-McGee Oil & Gas	Natural Buttes	SWSE	27	090S	210E
4304740173	NBU 921-27HT	Kerr-McGee Oil & Gas	Natural Buttes	SENE	27	090S	210E
4304740174	NBU 921-27LT	Kerr-McGee Oil & Gas	Natural Buttes	NWSW	27	090S	210E
4304740176	NBU 922-29NT	Kerr-McGee Oil & Gas	Natural Buttes	SESW	29	090S	220E
4304740177	NBU 922-29KT	Kerr-McGee Oil & Gas	Natural Buttes	NESW	29	090S	220E
4304740178	NBU 922-31BT	Kerr-McGee Oil & Gas	Natural Buttes	NWNE	31	090S	220E
4304740179	NBU 922-32ET	Kerr-McGee Oil & Gas	Natural Buttes	SWNW	32	090S	220E
4304740114	NBU 921-35AT	Kerr-McGee Oil & Gas	Natural Buttes	NENE	35	090S	210E
4304740146	NBU 922-29LT	Kerr-McGee Oil & Gas	Natural Buttes	NWSW	29	090S	220E

-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 2, 2008

Kerr-McGee Oil & Gas Onshore, LP
P O Box 173779
Denver, CO 80217-3779

Re: NBU 922-29NT Well, 845' FSL, 1627' FWL, SE SW, Sec. 29, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40176.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal Office

Operator: Kerr-McGee Oil & Gas Onshore, LP

Well Name & Number NBU 922-29NT

API Number: 43-047-40176

Lease: ST UO 1207

Location: SE SW **Sec.** 29 **T.** 9 South **R.** 22 East

Conditions of Approval

1. **General**

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. **Reporting Requirements**

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

7. Surface casing shall be cemented to the surface.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **KERR-McGEE OIL & GAS ONSHORE, L.P.**

Well Name: **NBU 922-29NT**

Api No: **43-047-40176** Lease Type: **STATE**

Section **29** Township **09S** Range **22E** County **UINTAH**

Drilling Contractor **PETE MARTIN DRLG** RIG # **BUCKET**

SPUDDED:

Date **10/22/08**

Time **NOON**

How **DRY**

Drilling will Commence:

Reported by **LEW WELDON**

Telephone # **(435) 828-7035**

Date **10/22//08** **Signed** **CHD**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP
Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078
Phone Number: (435) 781-7024

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304740176	NBU 922-29NT	SESW	29	9S	22E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
B	99999	2900	10/22/2008	10/28/08

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 10/22/2008 AT 0800 HRS.

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738489	NBU 1022-4O-3	SWSE	4	10S	22E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
B	99999	2900	10/22/2008	10/28/08

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 10/22/2008 AT 1200 HRS.

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date

Comments:

ACTION CODES:
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO
Name (Please Print)
Sheila Upchego
Signature
REGULATORY ANALYST
Title
10/22/2008
Date

(5/2000)

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DIV. OF OIL, GAS & MINING

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ST-UO 1207

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 922-29NT

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304740176

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 845' FSL, 1627' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 29 9S 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: WELL SPUD
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 10/22/2008 AT 0800 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego me DATE 10/22/2008

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DIV. OF OIL, GAS & MINING

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FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1207

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 922-29NT

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304740176

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES FIELD

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 845' FSL, 1627' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 29 9S 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: SET SURFACE CSG
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 10/26/2008. DRILLED 12 1/4" SURFACE HOLE TO 2353'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/350 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 50+/- BBL CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego mc DATE 10/31/2008

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FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO-1207

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 922-29NT

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304740176

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 845'FSL, 1627'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 29 9S, 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: FINAL DRILLING OPERATIONS
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2353' TO 9190' ON 11/27/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/385 SX PREM LITE II @11.8 PPG 2.49 YIELD. TAILED CMT W/1250 SX 50/50 POZ @14.3 PPG 1.31 YIELD. NO CMT TO PIT LIFT PRESSURE OF 2460 WHEN PLUG BUMPED HOLE 2960 PSI @ 5 MIN OK RELEASE LANDING JT. SET PACKOFF TEST PACK OFF TO 5K PSI. CLEAN BOP NIPPLE DOWN. CLEAN PITS.

RELEASED ENSIGN RIG 12 ON 11/29/2008 AT 0300 HRS.

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DEC 08 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE [signature] DATE 12/1/2008

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FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO-1207

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 922-29NT

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304740176

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 845'FSL, 1627'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 29 9S, 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: PRODUCTION START-UP
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 12/20/2008 AT 1100 HRS.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE DATE 12/31/2008

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DIV. OF OIL, GAS & MINING

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Wins No.: 24794

NBU 922-29NT

Well Operations Summary Long

Operator	FIELD NAME	SPUD DATE	GL	KB	ROUTE
KERR-MCGEE OIL & GAS ONSHORE LP	NATURAL BUTTES	10/26/2008	4,933	4947	V24

API	STATE	COUNTY	DIVISION
4304740176	UTAH	UINTAH	ROCKIES

Long/Lat.: 40.00214 / -109.46679 Q-Q/Sect/Town/Range: SESW / 29 / 9S / 22E Footages: 845.00' FSL 1,627.00' FWL

Wellbore: NBU 922-29NT

MTD	TVD	PBMD	PBTVD
9,190	9,187	9,136	

EVENT INFORMATION:
EVENT ACTIVITY: DRILLING
OBJECTIVE: DEVELOPMENT
OBJECTIVE 2: ORIGINAL
REASON:
START DATE: 10/26/2008
END DATE: 11/29/2008
DATE WELL STARTED PROD.:
Event End Status: SUSPENDED
AFE NO.: 2022330

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
	10/26/2008	10/26/2008	10/26/2008	10/26/2008	10/29/2008	10/30/2008	11/06/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
10/26/2008	SUPERVISOR: LEW WELDON						MD: 824
	12:30 - 0:00	11.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1230 HR 10/26/08 DA AT REPORT TIME 810'
10/27/2008	SUPERVISOR: LEW WELDON						MD: 1,574
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1260'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD HIT TRONA WATER @ 1560' DA AT REPORT TIME 1560'
10/28/2008	SUPERVISOR: LEW WELDON						MD: 2,024
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 1730'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP NO RETURNS 2010'
10/29/2008	SUPERVISOR: LEW WELDON						MD: 2,354
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 2220'
	12:00 - 19:30	7.50	DRLSUR	02		P	RIG T/D @ 2400' CONDITION HOLE 1 HR
	19:30 - 0:00	4.50	DRLSUR	05		P	TRIP DP OUT OF HOLE
10/30/2008	SUPERVISOR: LEW WELDON						MD: 2,414
	0:00 - 3:30	3.50	DRLSUR	11		P	RUN 2353' OF 9 5/8 CSG AND RIG DOWN AIR RIG
	3:30 - 4:30	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 350 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS THRU OUT JOB + - 50 PSI LIFT PUMPED 2 BBL OVER DISPLACMENT DID NOT LAND PLUG FLOATS HELD
	4:30 - 5:00	0.50	DRLSUR	15		P	1ST TOP JOB 100 SKS DOWN BS WOC
	5:00 - 7:00	2.00	DRLSUR	15		P	2ND TOP JOB 100 SKS DOWN BS WOC
	7:00 - 9:00	2.00	DRLSUR	15		P	3RD TOP JOB 125 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	9:00 - 9:00	0.00	DRLSUR				NO VISIBLE LEAKS PIT 50% FULL WORT

	9:00 - 9:00	0.00	DRLSUR				NO VISIBLE LEAKS PIT 50% FULL WORT	
11/16/2008	SUPERVISOR: KENNETH GATHINGS							MD: 2,414
	11:00 - 0:00	13.00	RDMO	01	E	P	RIG DOWN EQUIPMENT TO MOVE	
11/17/2008	SUPERVISOR: KENNETH GATHINGS							MD: 2,414
	0:00 - 7:00	7.00	RDMO	01	E	P	RIG DOWN EQUIPMENT TO MOVE	
	7:00 - 17:00	10.00	RDMO	01	A	P	MOVE EQUIPMENT TO NEW LOCATION / RIG UP EQUIPMENT	
	17:00 - 0:00	7.00	RDMO	12	D	P	WAIT ON DAYLIGHT TO RIG UP	
11/18/2008	SUPERVISOR: KENNETH GATHINGS							MD: 2,414
	0:00 - 7:00	7.00	MIRU	12	D	P	WAIT ON DAYLIGHT TO RIG UP	
	7:00 - 14:00	7.00	MIRU	01	F	P	DEMOBILIZE EQUIPMENT / TRUCKS LEFT LOCATION @ 14:00 HRS	
	14:00 - 0:00	10.00	MIRU	01	B	P	RAISE DERRICK / RIG UP EQUIPMENT TO DRILL	
11/19/2008	SUPERVISOR: KENNETH GATHINGS							MD: 2,425
	0:00 - 1:00	1.00	MIRU	01	B	P	RIG UP EQUIPMENT TO DRILL	
	1:00 - 5:00	4.00	PRPSPD	13	A	P	NIPPLE UP B.O.P. + RELATED EQUIPMENT / RUN FLOW LINES / RUN FLARE LINES	
	5:00 - 13:30	8.50	PRPSPD	13	C	P	PRESSURE TEST UPPER & LOWER KELLY VALVES, FLOOR VALVE & DART VALVE, BLIND RAMS & PIPE RAMS, INNER & OUTER BOP WING VALVES, KILL LINE & KILL LINE VALVES, CHOKE LINE + INNER & OUTER CHOKE MANIFOLD VALVES TO 250 PSI LOW @ 5 MINS & 5000 PSI @ 10 MINS HIGH / TEST ANNULAR TO 250 PSI LOW @ 5 MINS & 2500 PSI HIGH @ 10 MINS / TEST SURFACE CASING TO 1500 PSI @ 30 MINS / MAKE REPAIRS AS NEEDED TO MULTIPLE LEAKS	
	13:30 - 14:00	0.50	PRPSPD	13	B	P	INSTALL WEAR BUSHING IN WELLHEAD	
	14:00 - 19:30	5.50	PRPSPD	05	A	P	SAFETY MEETING / M.I.R.U. WEATHERFORD / P.U.D.S. - TAG @ 2243' / R.D.M.O. WEATHERFORD	
	19:30 - 20:00	0.50	PRPSPD	08	E	P	PRE-SPUD INSPECTION	
	20:00 - 20:30	0.50	PRPSPD	13	B	P	INSTALL ROTATING RUBBER & DRIVERS	
	20:30 - 23:30	3.00	PRPSPD	02	F	P	DRILL CEMENT + RELATED TOOLS	
	23:30 - 0:00	0.50	DRLPRO	02	B	P	DRILL F/ 2414' - 2425' (11' @ 22 fph)	
11/20/2008	SUPERVISOR: KENNETH GATHINGS							MD: 4,191
	0:00 - 3:30	3.50	DRLPRO	02	B	P	DRILL F/ 2425' - T/ 2682' (257' @ 73.42 fph) 38 vis - 9.5 ppg / 13k wob - 52 rpm	
	3:30 - 4:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT	
	4:00 - 8:00	4.00	DRLPRO	02	B	P	DRILL F/ 2682' - T/ 2966' (284' @ 71 fph) 38 vis - 9.5 ppg / 15k-18k wob - 56 rpm	
	8:00 - 9:00	1.00	DRLPRO	09	B	P	CIRC / SURVEY @ 2891' - 1.3* / 100* azi	
	9:00 - 13:30	4.50	DRLPRO	02	B	P	DRILL F/ 2966' - T/ 3407' (441' @ 98.0 fph) 38 vis - 9.5 ppg / 14k-19k wob - 60 rpm	

	13:30 - 14:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT
	14:00 - 20:00	6.00	DRLPRO	02	B	P	DRILL F/ 3407' - T/ 3942' (535' @ 89.16 fph) 42 vis - 9.7 ppg / 15k - 18k wob - 50-55 rpm
	20:00 - 21:00	1.00	DRLPRO	09	B	P	CIRC / SURVEY @ 3865' - 2.3* / 177.6* azi
	21:00 - 0:00	3.00	DRLPRO	02	B	P	DRILL F/ 3942' - T/ 4191' (249' @ 83.0 fph) 43 vis - 9.7 ppg / 12k - 14k wob - 55 rpm
11/21/2008	SUPERVISOR: KENNETH GATHINGS						MD: 5,440
	0:00 - 3:30	3.50	DRLPRO	02	B	P	DRILL F/ 4191' - T/ 4411' (220' @ 62.85 fph) 48 vis - 9.9 ppg / 13k wob - 58 rpm
	3:30 - 4:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT
	4:00 - 10:00	6.00	DRLPRO	02	B	P	DRILL F/ 4411' - T/ 4757' (346' @ 57.66 fph) 45 vis - 9.9 ppg / 16k wob - 56 rpm
	10:00 - 11:00	1.00	DRLPRO	09	B	P	CIRC / SURVEY @ 4680' - 1.7* / 176.9* azi
	11:00 - 14:00	3.00	DRLPRO	02	B	P	DRILL F/ 4757' - T/ 5009' (252' @ 84.0 fph) 46 vis - 9.9 ppg / 16k wob - 60 rpm / BOP DRILL
	14:00 - 14:30	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT / WORK PIPE RAMS
	14:30 - 0:00	9.50	DRLPRO	02	B	P	DRILL F/ 5009' - T/ 5440' (431' @ 45.36 fph) 56 vis - 10.2 ppg / 19k wob - 55 rpm
11/22/2008	SUPERVISOR: KENNETH GATHINGS						MD: 6,312
	0:00 - 3:30	3.50	DRLPRO	02	B	P	DRILL F/ 5440' - T/ 5606' (166' @ 47.42 fph) 56 vis - 10.2 ppg / 17k-20k wob - 55-60 rpm
	3:30 - 4:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT
	4:00 - 11:30	7.50	DRLPRO	02	B	P	DRILL F/ 5606' - T/ 5979' (373' @ 49.73 fph) 49 vis - 10.3 ppg / 17k-19k wob - 38-50 rpm
	11:30 - 12:00	0.50	DRLPRO	06	A	P	SERVICE RIG / VISUAL INSPECT DRILL LINE / CHECK C.O.M.
	12:00 - 0:00	12.00	DRLPRO	02	B	P	DRILL F/ 5979' - T/ 6312' (333' @ 27.75 fph) 61 vis - 10.2 ppg / 20k-22k wob - 45-55 rpm
11/23/2008	SUPERVISOR: KENNETH GATHINGS						MD: 6,628
	0:00 - 0:30	0.50	DRLPRO	02	B	P	DRILL F/ 6312' - T/ 6322' (10' @ 20 fph) 52 vis - 10.3 ppg / 21k-23k wob - 41-45 rpm
	0:30 - 1:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT
	1:00 - 3:00	2.00	DRLPRO	02	B	P	DRILL F/ 6322' - T/ 6355' (33' @ 16.5 fph) 52 vis - 10.3 ppg / 21k-23k wob - 41-45 rpm / APPEARS THAT STABILIZERS ARE HOLDING BIT OFF BOTTOM - TORQUE ON TABLE UP - DIFF. PRESSURE DOWN
	3:00 - 4:00	1.00	DRLPRO	04	C	P	CIRCULATE & CONDITION HOLE FOR SURVEY & TRIP
	4:00 - 4:30	0.50	DRLPRO	09	B	P	DROP SURVEY TOOL (LET TOOL FALL TO BOTTOM) / PUMP WEIGHT PILL @ REDUCED RATE
	4:30 - 10:30	6.00	DRLPRO	05	A	P	SET BACK & BLOW DOWN KELLY / P.O.O.H. W/ BIT #1 / TIGHT HOLE @ 5377', 4550 - VERY TIGHT F/ 4510' - T/ 4506' (JARS TO GET LOOSE) TIGHT HOLE @ 3254',

	10:30 - 12:00	1.50	DRLPRO	05	A	P	RECEVER SURVEY TOOLS / LAY DOWN NON MAG COLLAR & REPLACE WITH STEEL COLLAR / LAY DOWN BOTH I.B.S.s / CHECK MOTOR / BREAK BIT / WORK BLIND RAMS
	12:00 - 16:00	4.00	DRLPRO	05	A	P	MAKE UP BIT #2 / T.I.H. / WORK THROUGH BRIDGE @ 4548'
	16:00 - 17:00	1.00	DRLPRO	03	D	P	PRECAUTIONARY REAM F/ 6295' - T/ 6355' / CUT NEW BIT PATTERN
	17:00 - 0:00	7.00	DRLPRO	02	B	P	DRILL F/ 6355' - T/ 6628' (273' @ 39.0 fph) 46 vis - 10.4 ppg / 21k wob - 48 rpm
11/24/2008	SUPERVISOR: KENNETH GATHINGS						MD: 7,760
	0:00 - 3:30	3.50	DRLPRO	02	B	P	DRILL F/ 6628' - T/ 6815' (187' @ 53.42 fph) 47 vis - 10.4 ppg / 19k-21k wob - 50 rpm
	3:30 - 4:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT
	4:00 - 13:30	9.50	DRLPRO	02	B	P	DRILL F/ 6815' - T/ 7318' (503' @ 52.94 fph) 47 vis - 10.6 ppg / 17k-19k wob - 46 rpm
	13:30 - 14:00	0.50	DRLPRO	06	A	P	SERVICE RIG / WORK PIPE RAMS
	14:00 - 0:00	10.00	DRLPRO	02	B	P	DRILL F/ 7318' - T/ 7760' (442' @ 44.20 fph) 48 vis - 10.8 ppg / 16k-18k wob - 47-51 rpm
11/25/2008	SUPERVISOR: KENNETH GATHINGS						MD: 8,448
	0:00 - 4:00	4.00	DRLPRO	02	B	P	DRILL F/ 7760' - T/ 7948' (188' @ 47.0 fph) 47 vis - 10.9 ppg / 16k-18k wob - 52 rpm
	4:00 - 4:30	0.50	DRLPRO	06	A	P	RIG SERVICE / CHECK C.O.M. / CHECK DRILL LINE
	4:30 - 14:00	9.50	DRLPRO	02	B	P	DRILL F/ 7948' -T/ 8260' (312' @ 32.84 fph) 50 vis - 11.1 ppg / 16k-19k wob - 45 rpm
	14:00 - 14:30	0.50	DRLPRO	06	A	P	RIG SERVICE / WORK PIPE RAMS / TRIP C.O.M.
	14:30 - 0:00	9.50	DRLPRO	02	B	P	DRILL F/ 8260' - T/ 8448' (188' @ 19.78 fph) 51vis - 11.1 ppg / 17k-22k wob - 45-55 rpm
11/26/2008	SUPERVISOR: KENNETH GATHINGS						MD: 8,810
	0:00 - 4:30	4.50	DRLPRO	02	B	P	DRILL F/ 8448' - T/ 8499' (51' @ 11.33 fph) 50 vis - 11.2 ppg / 20k-22k wob - 28-45 rpm
	4:30 - 5:00	0.50	DRLPRO	04	C	P	CIRCULATE & CONDITION HOLE FOR BIT TRIP
	5:00 - 10:30	5.50	DRLPRO	05	A	P	PUMP PILL / CHECK C.O.M. / P.O.O.H. W/ BIT #2 / WORK THROUGH TIGH HOLE F/ 4498' - T/ 4423'
	10:30 - 11:00	0.50	DRLPRO	05	A	P	BREAK BIT / CHANGE OUT MOTOR
	11:00 - 11:30	0.50	DRLPRO	06	A	P	RIG SERVICE / WORK BLIND & PIPE RAMS
	11:30 - 15:30	4.00	DRLPRO	05	A	P	MAKE UP BIT #3 / T.I.H. W/ NO PROBLEMS
	15:30 - 16:30	1.00	DRLPRO	03	D	P	PRECAUTIONARY REAM F/ 8424' - T/ 8499' W/ 25' OF FILL ON BOTTOM / 20'-25' FLARE W/ BOTTOMS UP
	16:30 - 23:00	6.50	DRLPRO	02	B	P	DRILL F/ 8499' -T/ 8795' (296' @ 45.53 fph) 47 vis - 11.5 ppg / 17k-19k wob - 40-50 rpm
	23:00 - 23:30	0.50	DRLPRO	04	F	P	CIRCULATE GAS BUBBLE FROM HOLE / 20' FLARE

	23:30 - 0:00	0.50	DRLPRO	02	B	P	DRILL F/ 8795' - T/ 8810' (15' @ 30 fph) 47 vis - 11.5 ppg / 17k-19k wob - 40-50 rpm	
11/27/2008	SUPERVISOR: KENNETH GATHINGS							MD: 9,190
	0:00 - 10:30	10.50	DRLPRO	02	B	P	DRILL F/ 8810' - T/ 9190' (T.D.) (380' @ 36.19 fph) 46 vis - 12.1 ppg / 20k-24k wob - 35-55 rpm	
	10:30 - 11:30	1.00	EVALPR	04	C	P	CIRCULATE & CONDITION HOLE FOR SHORT TRIP	
	11:30 - 12:30	1.00	EVALPR	05	E	P	PUMP SLUG / BLOW KELLY OUT / SHORT TRIP 10 STANDS W/ NO PROBLEMS & NO FILL	
	12:30 - 14:30	2.00	EVALPR	04	C	P	CIRCULATE & CONDITION HOLE FOR LAY DOWN & LOGS	
	14:30 - 23:30	9.00	EVALPR	05	B	P	PUMP SLUG / BLOW KELLY OUT / L.D.D.S. / BREAK KELLY + RELATED EQUIPMENT / L.D.B.H.A. / PULL ROTATING RUBBER	
	23:30 - 0:00	0.50	EVALPR	13	B	P	PULL WEAR BUSHING	
11/28/2008	SUPERVISOR: KENNETH GATHINGS							MD: 9,190
	0:00 - 7:30	7.50	EVALPR	08	A	P	SAFETY MEETING / M.I.R.U. HALLIBURTON / RUN QUAD COMBO F/ 9189' - T/ SURFACE / R.D.M.O. HALLIBURTON	
	7:30 - 8:30	1.00	CSG	11	A	P	SAFETY MEETING / M.I.R.U. WEATHERFORD EQUIPMENT	
	8:30 - 15:30	7.00	CSG	11	B	P	RAN 217 JOINTS OF 4.50 I-80 #11.6 LT&C CASING + RELATED TOOLS / BREAK CIRCULATION AT SELECTED INTERVALS	
	15:30 - 16:00	0.50	CSG	13	B	P	INSTALL FLUTED MANDREL + ROTATING RUBBER / LAND CASING @ 9182' / 100K ON MANDREL	
	16:00 - 17:00	1.00	CSG	04	E	P	CIRCULATE & CONDITION HOLE FOR CEMENT / R.D.M.O. WEATHERFORD EQUIPMENT / M.I.R.U. HOWSCO EQUIPMENT	
	17:00 - 20:30	3.50	CSG	15	A	P	SAFETY MEETING / INSTALL CEMENT HEAD / TEST PUMPS & LINES TO 5000 PSI / PUMP 10 bbls H2O + 20 bbls MUD CLEAN + 20 bbls H2O + 20 sx SCAVENGER (PREM LITE II) @ 9.5 ppg + 385 sx LEAD (PREM LITE II) @ 11.8 ppg + 1250 sx TAIL (50/50 POZ) @ 14.3 ppg + 142 bbls H2O + ADDITIVES / PLUG DOWN @ 20:14 HRS / HELD 2960 PSI @ 5 MINS / FLOATS HELD W/ 1.5 bbls RETURNED TO INVENTORY / R.D.M.O. HALLIBURTON / ALL PRE-FLUSH + 4 BBLS H20 RETURNED TO PIT / NO CEMENT TO PIT / LIFT PRESSURE @ 2460 WHEN PLUG BUMPED / HOLD 2960 PSI @ 5 MIN - OK	
	20:30 - 23:00	2.50	CSG	13	B	P	RELEASE LANDING JOINT / SET PACKOFF / TEST PACKOFF TO 5K PSI	
	23:00 - 0:00	1.00	CSG	13	A	P	CLEAN BOP / NIPPLE DOWN EQUIPMENT	
11/29/2008	SUPERVISOR: KENNETH GATHINGS							MD: 9,190
	0:00 - 3:00	3.00	CSG	13	A	P	CLEAN BOP EQUIPMENT / NIPPLE DOWN / CLEAN PITS + RELATED EQUIPMENT	

Wins No.: 24794	NBU 922-29NT	API No.: 4304740176

EVENT INFORMATION:	EVENT ACTIVITY: COMPLETION	START DATE: 12/11/2008	AFE NO.: 2022330
	OBJECTIVE: DEVELOPMENT	END DATE: 12/17/2008	
	OBJECTIVE 2: ORIGINAL	DATE WELL STARTED PROD.:	
	REASON: MV	Event End Status: COMPLETE	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
MILES 3 / 3		12/11/2008					12/17/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
12/11/2008	SUPERVISOR: GARTH McCONKIE						MD:
	7:00 - 7:30	0.50	COMP	48		P	DAY 1 - JSA & SM #1
	7:30 - 16:00	8.50	COMP	31	I		WHP = 0 PSI. MIRU, SPOT EQUIP. RU FLOOR & TBG EQUIP. PREP & TALLY TBG. PU 3 7/8" MILL & BIT SUB. RIH HOLE ON 248 JTS NEW 2 3/8" 4.7# J55 TBG. EOT @ 7814'. POOH W/TBG & STD BK IN DRK. L/D MILL & BIT SUB. 16:00 SWI - SDFN. PREP WELL TO PT CSG & PERF STG #1. FREEZE PROTECT WELL HEAD.
12/12/2008	SUPERVISOR: GARTH McCONKIE						MD:
	7:00 - 7:30	0.50	COMP	48		P	DAY 2 - JSA & SM #2
	7:30 - 11:00	3.50	COMP	33	C	P	WHP = 0 PSI. RD FLOOR & TBG EQUIP. ND BOP, NU FRAC VALVES. LOAD HOLE W/2% KCL WTR. MIRU B & C QUICK TEST. P/T CSG & FRAC VALVES TO 7500 PSI. (GOOD TEST). RDMO B & C QUICK TEST. MIRU CUTTERS WIRELINE. RIH W/3 3/8" EXP GNS, 23 GRM, 0.36 HOLES, 120 DEG PHSG, PERF THE M.V. @ 9092' - 97', 3 SPF, 9015' - 20', 3 SPF, 8908' - 11', 3 SPF, 39 HOLES. POOH & L/D TOOLS. RDMO CUTTERS. 11:00 SWI - SDFWE. PREP WELL TO PERF & FRAC ON 12/15/08. FREEZE PROTECT WELLHEAD.
12/15/2008	SUPERVISOR: GARTH McCONKIE						MD:
	7:00 - 7:30	0.50	COMP	48		P	HSM
	7:30 - 18:00	10.50	COMP	36	B	P	MIRU BJ FRAC SERV & CUTTERS W.L.. OPEN WELL. OPEN WELL 1800#. STG 1)BEG PUMP, BRK @ 3204#, @ 4.1 BPM. SD ISIP 2375#, FG .75. BEG FRAC W/ 5 PUMPS. PUMP PRE PAD & 112 BBLS OF PAD COULD NOT GET OVER 38 BPM W/ 5 PUMP TRUCKS. SD 10:AM. TRY T/ MAKE REPAIR T/ PUMP 6, COULD NOT GET IT T/ START. WAIT FOR NEW PUMP. RDMO BAD PUMP, MIRU NEW PUMP. 2:PM BEG FRAC. REPUMP PAD, PUMP 88,074# 30/50 TAIL IN W/ 2422# 20/40 TLC. CUT 2578# SHORT OF 20/40 TLC DUE T/ HIGH PSI. SD ISIP 2908#, FG .76. X-OVER FOR W.L.. (CUT 20/40 TLC 2578# SHORT DUE T/ HIGH PSI.) STG 2)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE, 120 DEG PHASING. RIH SET 4 1/2 CBP @ 8853' P/U PERF F/ 8820'-23', 3 SPF, 9 HOLES. 8779'-82', 3 SPF, 9 HOLES. 8738'-42', 3 SPF, 12 HOLES. 8649'-52', 3 SPF, 9 HOLES. POOH. X-OVER FOR W.L. OPEN WELL 1190#. BEG PUMP, BRK @ 4414# @ 7.6 BPM. SD ISIP 2995#, FG .78. BEG FRAC PUMP 52,849# 30/50 WHITE. PSI SPIKED F/ 4720# T/ 6200# WITHIN 10 BBLS . WENT T/ BYPASS. CALLED FLUSH. SD ISIP 2871#, FG .76. CUT SAND 56,000# SHORT, DUE T/ PSI. SWI, PREP T/ PERF IN THE :AM. SDFN.
12/16/2008	SUPERVISOR: GARTH McCONKIE						MD:
	7:00 - 7:30	0.50	COMP	48		P	HSM.

	7:30 - 18:30	11.00	COMP			P	OPEN WELL 1250#. STG 3)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 8585' P/U PERF F/ 8551'-55', 3 SPF, 12 HOLES. 8484'-87', 3 SPF, 9 HOLES. 8430'-37', 3 SPF, 12 HOLES. POOH. X-OVER FOR FRAC CREW. PSI TEST LINE 8500#. GOOD TEST. FOUND CABLE GOING T/ SURFACE CSG TRANSDUESER WAS BAD. X-OUT CABLE. OPEN WELL 1945#. BEG PUMP BRK @ 2996# @ 3.2 BPM. SD ISIP 2437#, FG .72. BEG FRAC PUMP 84,761# 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2847#, FG .77. (PUMP 125 BBL SWEAP & 71 BBL .50-1.50 SAND RAMP AFTER SWEAP.) X-OVER T/ W.L.. STG 4)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE, 120 & 180 DEG PHASING. EQUILIZE LUBE COULD NOT GO IN HOLE. FOUND BLUBBER LINE WAS FROZE & TOP FRAC VALVE HAD LIP ON IT. MAKE REPAIRS T/ FRAC VALVE & BLUBBER LINE. RIH SET CBP @ 8336' P/U PERF F/ 8299'-06', 3 SPF, 21 HOLES. 8212'-16', 3 SPF, 12 HOLES. 8149'-52', 2 SPF, 6 HOLES. POOH. X-OVER FOR FRAC CREW. OPEN WELL 294#. BEG PUMP, BRK @ 2976# @ 3.9 BPM. SD ISIP 2236#, FG .71. BEG FRAC PUMP 146,353# 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2605#, FG .75. STG 5)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH SET CBP @ 8040', P/U PERF F/ 8006'-10', 4 SPF, 16 HOLES. 7966'-72', 4 SPF, 24 HOLES. POOH & X-OVER FOR FRAC CREW. OPEN WELL 900#. BEG PUMP BRK @ 2978# @ 7.1 BPM. SD ISIP 2066#, FG .69. BEG FRAC PUMP 109,045# 30/50 WHITE & TAIL IN W/ 8,000# 20/40 TLC. SD ISIP 2564#, FG .75. XO FOR W.L.. PU 4 1/2, 8K BAKER CBP. RIH SET CBP @ 7930'. POOH. RDMO CUTTERS W.L. & BJ FRAC SERV. SWI. SDFN.
12/17/2008	SUPERVISOR: DOUG CHIVERS						MD:
	7:00 - 7:30	0.50	COMP	48		P	HSM. PINCH POINTS
	7:30 - 17:00	9.50	COMP	44	C	P	WHP 0 PSI. ND FRAC VALVES NU BOP. PU 3 7/8" BIT & POBS. RIH TO 7,900' RU POWER SWIVEL & BRK CICR W/ 2% KCL WATER. RIH C/O 15' OF SAND TAG PLG 1 @ 7,930' DRL PLG IN 10 MIN 1,000 PSI INCREASE. RIH C/O 20' OF SAND TAG PLG 2 @ 8,040' DRL PLG IN 10 MIN 200 PSI INCREASE. RIH C/O 30' OF SAND TAG PLG 3 @ 8,336' DRL PLG IN 10 MIN 100 PSI INCREASE. RIH C/O 20' OF SAND TAG PLG 4 @ 8,586' DRL PLG IN 10 MIN 100 PSI INCREASE. RIH C/O 35' OF SAND TAG PLG 5 @ 8,853' DRL PLG IN 10 MIN 200 PSI INCREASE. RIH C/O 38' OF SAND TO PBTD OF 9,136'. CIRC WELL CLEAN W/ 2% KCL WATER. POOH LD 17 JTS OF 2 3/8" J-55 TBG. LAND TBG W/ 273 JTS EOT @ 8,609.34'. ND BOP NU WELL HEAD. DROP BALL TO SHEAR OFF BIT. PUMP OFF BIT @ 2,250 PSI. SHUT IN WELL FOR 30 MIN. TO LET BIT FALL. TURN WELL OVER TO FLO TESTERS. RDMO RIG 293 JTS OUTBOUND 173 JTS LANDED 20 JTS RETURNED
12/18/2008	SUPERVISOR: DOUG CHIVERS						MD:
	7:00 -			33	A		7 AM FLBK REPORT: CP 1900#, TP 1650#, 20/64" CK, 63 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 4128 BBLS LEFT TO RECOVER: 9632
12/19/2008	SUPERVISOR: DOUG CHIVERS						MD:

	7:00 -		33	A	7 AM FLBK REPORT: CP 1600#, TP 2150#, 20/64" CK, 62 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 5678 BBLS LEFT TO RECOVER: 8082
12/20/2008	SUPERVISOR: BRUCE				MD:
	7:00 -		33	A	7 AM FLBK REPORT: CP 3300#, TP 2400#, 18/64" CK, 22 BWPH, - SAND, - GAS TTL BBLS RECOVERED: 8295 BBLS LEFT TO RECOVER: 5465
	11:00 -	PROD			WELL TURNED TO SALES @ 1100 HR ON 12/20/2008 - FTP 2375#, CP 2000#, CK 20/64", 1700 MCFD, 1128 BWPD
12/21/2008	SUPERVISOR: BRUCE				MD:
	7:00 -		33	A	7 AM FLBK REPORT: CP 3100#, TP 2250#, 18/64" CK, 18 BWPH, 1 TBSP SAND, 2.8 GAS TTL BBLS RECOVERED: 8803 BBLS LEFT TO RECOVER: 4957

EVENT INFORMATION:

EVENT ACTIVITY: COMPLETION	START DATE: 12/12/2008	AFE NO.:	2022330
OBJECTIVE: CONSTRUCTION	END DATE: 12/12/2008		
OBJECTIVE 2: ORIGINAL	DATE WELL STARTED PROD.:		
REASON: SURFACE FAC	Event End Status: COMPLETE		

RIG OPERATIONS:

Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
12/12/2008	SUPERVISOR: HAL BLANCHARD						MD:
	-						

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO-1207
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
8. WELL NAME and NUMBER: NBU 922-29NT
9. API NUMBER: 4304740176
10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 29 9S, 22E
12. COUNTY: UINTAH
13. STATE: UTAH

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER
b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078
PHONE NUMBER: (435) 781-7024
4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 845'FSL, 1627'FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPUDDED: 10/22/2008
15. DATE T.D. REACHED: 11/27/2008
16. DATE COMPLETED: 12/20/2008 ABANDONED ☐ READY TO PRODUCE ☑
17. ELEVATIONS (DF, RKB, RT, GL): 4933'GL
18. TOTAL DEPTH: MD 9,190 TVD
19. PLUG BACK T.D.: MD 9,136 TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR, SD, DSN, AITR, BCS
23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,400		675			
7 7/8"	4 1/2 I-80	11.6#		9,190		1635			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,609							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) MESAVERDE	7,966	9,097		
(B) WSMVD				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
7,966 9,097	0.36	199	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
7966'-9097'	PMP 13,537 BBLS SLICK H2O & 501,504# 30/50 OTTOWA SD

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

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(5/2000) (CONTINUED ON BACK)

31. INITIAL PRODUCTION — **INTERVAL A (As shown in Item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
12/20/2008	12/23/2008	18		0	2,766	550	FLOWING

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
20/64	2,400	3,300					0	2,766	550	PROD

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	1,348				
BIRDS NEST	1,638				
MAHOGANY	2,143				
WASATCH	4,581	7,102			
MESAVERDE	7,114	9,096			

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE DATE 1/16/2009

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

API Well No: 43047401760000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1207

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL: Gas Well

8. WELL NAME and NUMBER: NBU 922-29NT

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047401760000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0845 FSL 1627 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 29 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 5/14/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	✓ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO RECOMPLETE THE WASATCH AND MESAVERDE FORMATIONS. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH/MESAVERDE FORMATIONS WITH THE EXISTING MESAVERDE. PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

Approved by the Utah Division of Oil, Gas and Mining

Date: May 13, 2010

By: Dustin Doucet

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE		**DATE**
N/A		5/13/2010

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The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047401760000

Authorization: Board Cause No. 173-14.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: May 13, 2010

By:

Greater Natural Buttes Unit

NBU 922-29NT

RE-COMPLETIONS PROCEDURE

DATE:5/11/10
AFE#:2044725

COMPLETIONS ENGINEER: Jared Klostermann, Denver, CO
(307)-259-8366 (Cell)
(720)-929-6541 (Office)

SIGNATURE:

ENGINEERING MANAGER: JEFF DUFRESNE

SIGNATURE:

REMEMBER SAFETY FIRST!

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Name: **NBU 922-29NT**
Location: **SE SW Section 29 T9S R22E**
Uintah County, UT
Date: **5/11/10**

ELEVATIONS: 4934' GL 4948' KB

TOTAL DEPTH: 9190' **PBTD:** 9137'
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 2369'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 9182'
Marker Joint **4609-4626**'

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 ½" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 ½" Annulus				0.0101	0.4227

TOPS: **BOTTOMS:**

1348' Green River Top
1638' Bird's Nest Top
2143' Mahogany Top
4581' Wasatch Top — 7117' Wasatch Bottom
7117' Mesaverde Top — 9190' Mesaverde Bottom (TD)

Estimated T.O.C. from CBL @ 680'

GENERAL:

- A minimum of **14** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 11/28/08
- **5** fracturing stages required for coverage.
- Procedure calls for 6 CBP's (**8000** psi) .
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Pump scale inhibitor at 3 gpt (in pad and until 1.25 ppg ramp up is reached) and 10 gpt in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac**.
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). Stage acid and scale inhibitor if necessary to cover the next perforated interval.

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- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40 mesh **curable resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~8609'
- Originally completed on 12/15/08.

Existing Perforations:

Formation	Top	Bottom	SPF	Holes
MESAVERDE	7,966	7,972	4	24
MESAVERDE	8,006	8,010	4	16
MESAVERDE	8,149	8,152	2	6
MESAVERDE	8,212	8,216	3	12
MESAVERDE	8,299	8,306	3	21
MESAVERDE	8,430	8,437	3	21
MESAVERDE	8,484	8,487	3	9
MESAVERDE	8,551	8,555	3	12
MESAVERDE	8,649	8,652	3	9
MESAVERDE	8,738	8,742	3	12
MESAVERDE	8,779	8,782	3	9
MESAVERDE	8,820	8,823	3	9
MESAVERDE	8,908	8,911	3	9
MESAVERDE	9,015	9,020	3	15
MESAVERDE	9,092	9,097	3	15

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.

2. If the tubing is below the proposed CBP depth, TOOH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~8609'). Visually inspect for scale and consider replacing if needed. If the tubing is above the proposed CBP depth, RIH with tubing and tag for fill before TOOH.

3. If tbg looks ok consider running a gauge ring to 7900' (50' below proposed CBP). Otherwise P/U a mill and C/O to 7900' (50' below proposed CBP).

4. Set 8000 psi CBP at ~ 7850'. Pressure test BOP and casing to 6200 psi.

5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	7688	7690	4	8
MESAVERDE	7717	7719	4	8
MESAVERDE	7771	7773	4	8
MESAVERDE	7816	7820	4	16

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6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~7688' and trickle 250gal 15%HCL w/ scale inhibitor in flush . **NOTE: Tight spacing on Stage 1, overflush by 5 bbls.**

7. Set 8000 psi CBP at ~7647'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	7450	7456	4	24
MESAVERDE	7613	7617	4	16

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~7450' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

9. Set 8000 psi CBP at ~7400'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
MESAVERDE	7220	7223	4	12
MESAVERDE	7291	7296	4	20
MESAVERDE	7368	7370	4	8

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~7220' trickle 250gal 15%HCL w/ scale inhibitor in flush. **NOTE: Tight spacing on Stage 3, overflush by 5 bbls.**

11. Set 8000 psi CBP at ~7173'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	6954	6955	4	4
WASATCH	7032	7035	4	12
WASATCH	7094	7096	4	8
MESAVERDE	7140	7143	4	12

12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~6954' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

13. Set 8000 psi CBP at ~6736'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	6666	6674	4	32
WASATCH	6704	6706	4	8

14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~6666' and flush only with recycled water.

15. Set 8000 psi CBP at~6616'.

16. TIH with 3 7/8" mill, POBS, SN and tubing.

17. Mill plugs and cleanout to PBTD at ~9137'. Land tubing at ±**8619**' and pump off bit sub unless indicated otherwise by the well's behavior. This well will be commingled at this time.

18. ND BOPS & NU WH. RDMO.

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19. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

For design questions, please call
Jared Klostermann, Denver, CO
(307)-259-8366 (Cell)
(720)-929-6541 (Office)

For field implementation questions, please call
Jeff Samuels, Vernal, UT
435-781-7046 (Office)

NOTES:
Tight spacing on Stages 1 & 3, overflush by 5 bbls.

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Name NBU 922-29NT
Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes		Fracture Coverage		
		Top, ft	Bottom, ft						
1	MESAVERDE	7688	7690	4	8		7671	to	7700
	MESAVERDE	7717	7719	4	8		7707	to	7740.5
	MESAVERDE	7771	7773	4	8		7765	to	7777
	MESAVERDE	7816	7820	4	16		7804	to	7838.5
	# of Perfs/stage				40		CBP DEPTH	7,647	
2	MESAVERDE	7450	7456	4	24		7427	to	7477.5
	MESAVERDE	7613	7617	4	16		7601.5	to	7629.5
	# of Perfs/stage				40		CBP DEPTH	7,400	
3	MESAVERDE	7220	7223	4	12		7195	to	7225.5
	MESAVERDE	7291	7296	4	20		7260	to	7272.5
	MESAVERDE	7368	7370	4	8		7278	to	7309
	MESAVERDE						7355	to	7384
	# of Perfs/stage				40		CBP DEPTH	7,173	
4	WASATCH	6954	6955	4	4		6945.5	to	6962
	WASATCH	7032	7035	4	12		7021.5	to	7060
	WASATCH	7094	7096	4	8		7078.5	to	7103.5
	MESAVERDE	7140	7143	4	12		7119	to	7146.5
	# of Perfs/stage				36		CBP DEPTH	6,736	
5	WASATCH	6666	6674	4	32		6658	to	6676.5
	WASATCH	6704	6706	4	8		6695.5	to	6707.5
	# of Perfs/stage				40		CBP DEPTH	6,616	
	Totals				196				

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Fracturing Schedules

Name NBU 922-29NT

Slickwater Frac

Copy to new book

Recomplete?	Y
Pad?	N
ACTS?	N

Swabbing Days	0	Enter Number of swabbing days here for recompletes
Production Log	0	Enter 1 if running a Production Log
DFIT	0	Enter Number of DFITs

Stage	Zone	Md-Ft of Pay	Perfs Top, ft.	Perfs Bot., ft	SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.
1	MESAVERDE	0.1651	7688	7690	4	8	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	0.1992	7717	7719	4	8	0	ISIP and 5 min ISIP													50
	MESAVERDE	0.0648	7771	7773	4	8	50	Slickwater Pad			Slickwater	4,758	4,758	113	113	15.0%	0.0%	0	0		14
	MESAVERDE	0.4057	7816	7820	4	16	50	Slickwater Ramp	0.25	1.25	Slickwater	8,988	13,746	214	327	28.3%	19.4%	6,741	6,741		27
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	13,746	0	327		0.0%	0	6,741		0
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	8,988	22,734	214	541	28.3%	35.5%	12,359	19,100		0
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	22,734	0	541		0.0%	0	19,100		0
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	0	22,734	0	541		0.0%	0	19,100		0
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	8,988	31,722	214	755	28.3%	45.2%	15,729	34,829		0
	MESAVERDE	0.00					50	Flush (4-1/2)				5,019	36,741	119	875				34,829		50
	MESAVERDE	0.00						ISDP and 5 min ISDP					36,741								141
	MESAVERDE	0.00																			
	MESAVERDE	0.00																			
	MESAVERDE	0.00									Sand laden Volume		31,722								
						Look											gal/md-ft	38,000	41,721	lbs sand/md-ft	
		0.83		**# of Perfs/stage**		**40**									**Flush depth**	**7688**		**CBP depth**	**7,647**	**41**	
							17.5	<< Above pump time (min)													
2	MESAVERDE	0.5023	7450	7456	4	24	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	0.3151	7613	7617	4	16	0	ISIP and 5 min ISIP													
	MESAVERDE	0.00					50	Slickwater Pad			Slickwater	4,659	4,659	111	111	15.0%	0.0%	0	0		14
	MESAVERDE	0.00					50	Slickwater Ramp	0.25	1.25	Slickwater	8,801	13,460	210	320	28.3%	19.4%	6,601	6,601		26
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	13,460	0	320		0.0%	0	6,601		0
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	8,801	22,261	210	530	28.3%	35.5%	12,101	18,701		0
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	22,261	0	530		0.0%	0	18,701		0
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	0	22,261	0	530		0.0%	0	18,701		0
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	8,801	31,061	210	740	28.3%	45.2%	15,401	34,103		0
	MESAVERDE	0.00					50	Flush (4-1/2)				4,863	35,925	116	855				34,103		48
	MESAVERDE	0.00						ISDP and 5 min ISDP					35,925								88
	MESAVERDE	0.00																			
	MESAVERDE	0.00																			
	MESAVERDE	0.00									Sand laden Volume		31,061								
						Look											gal/md-ft	38,000	41,721	lbs sand/md-ft	
		0.82		**# of Perfs/stage**		**40**									**Flush depth**	**7450**		**CBP depth**	**7,400**	**50**	
							17.1	<< Above pump time (min)													

Stage	Zone	Md-Ft of Pay	Perfs Top, ft.	Perfs Bot., ft	SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.
3	MESAVERDE	0.9324	7220	7223	4	12	Varied	Pump-in test			Slickwater		0	0	0						
	MESAVERDE	0.1286	7291	7296	4	20	0	ISIP and 5 min ISIP													
	MESAVERDE	0.6029	7368	7370	4	8	50	Slickwater Pad			Slickwater	10,474	10,474	249	249	15.0%	0.0%	0	0		31
	MESAVERDE	0.1737					50	Slickwater Ramp	0.25	1.25	Slickwater	19,785	30,259	471	720	28.3%	18.6%	14,839	14,839		59
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	0	30,259	0	720		0.0%	0	14,839		0
	MESAVERDE	0.00					50	Slickwater Ramp	1.25	1.5	Slickwater	19,785	50,044	471	1,192	28.3%	34.1%	27,204	42,043		0
	MESAVERDE	0.00					50	SW Sweep	0	0	Slickwater	5,250	55,294	125	1,317		0.0%	0	42,043		0
	MESAVERDE	0.00					50	Slickwater Ramp	0.5	1.5	Slickwater	3,000	58,294	71	1,388		3.8%	3,000	45,043		0
	MESAVERDE	0.00					50	Slickwater Ramp	1.5	2	Slickwater	19,785	78,079	471	1,859	28.3%	43.5%	34,623	79,666		0
	MESAVERDE	0.00					50	Flush (4-1/2)				4,713	82,792	112	1,971				79,666		47
	MESAVERDE	0.00						ISDP and 5 min ISDP					82,792								137
	MESAVERDE	0.00																			
	MESAVERDE	0.00																			
	MESAVERDE	0.00									Sand laden Volume		69,829								
						Look											gal/md-ft	38,000	43,353	lbs sand/md-ft	
		1.84		# of Perfs/stage		40									Flush depth	7220		CBP depth	7,173	47	
							39.4	<< Above pump time (min)													
4	WASATCH	0.081	6954	6955	4	4	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	0.9819	7032	7035	4	12	0	ISIP and 5 min ISIP													
	WASATCH	0.4833	7094	7096	4	8	50	Slickwater Pad			Slickwater	8,029	8,029	191	191	15.0%	0.0%	0	0		24
	MESAVERDE	1.2715	7140	7143	4	12	50	Slickwater Ramp	0.25	1.5	Slickwater	26,764	34,794	637	828	50.0%	35.7%	23,419	23,419		80
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	18,735	53,529	446	1,274	35.0%	64.3%	42,154	65,573		0
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	4,540	58,068	108	1,383				65,573		0
	WASATCH	0.00						ISDP and 5 min ISDP			Slickwater										0
	WASATCH	0.00															#VALUE!				0
	WASATCH	0.00																	65,573		0
	WASATCH	0.00											58,068	108	1,383						44
	WASATCH	0.00																			148
	WASATCH	0.00																			
	WASATCH	0.00																			
	WASATCH	0.00									Sand laden Volume		53,529								
																	gal/md-ft	19,000	23,275	lbs sand/md-ft	
		2.82		# of Perfs/stage		36									Flush depth	6954		CBP depth	6,736	218	
							27.7	<< Above pump time (min)													
5	WASATCH	0.450	6666	6674	4	32	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	0.100	6704	6706	4	8	0	ISIP and 5 min ISIP													
	WASATCH	0.00					50	Slickwater Pad			Slickwater	3,301	3,301	79	79	15.0%	0.0%	0	0		10
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	11,004	14,305	262	341	50.0%	35.7%	9,629	9,629		33
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	7,703	22,008	183	524	35.0%	64.3%	17,331	26,960		0
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	4,352	26,360	104	628				26,960		0
	WASATCH	0.00						ISDP and 5 min ISDP			Slickwater										0
	WASATCH	0.00																			0
	WASATCH	0.00																	26,960		0
	WASATCH	0.00											26,360	104	628						0
	WASATCH	0.00																			43
	WASATCH	0.00																			
	WASATCH	0.00																			
	WASATCH	0.00									Sand laden Volume		22,008								
						Look											gal/md-ft	40,000	49,000	lbs sand/md-ft	
		0.55		# of Perfs/stage		40									Flush depth	6666		CBP depth	6,616	50	
							12.6	<< Above pump time (min)													
	Totals	6.86				196						Total Fluid	239,886	gals	5,712	bbls		Total Sand	241,130		
													5,712	bbls							
							1.9								12.7	tanks				Total Scale Inhib. =	558

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1207
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: UNIT 891008900A
8. WELL NAME and NUMBER: NBU 922-29NT
9. API NUMBER: 4304740176
10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 29 9S 22E S
12. COUNTY: UINTAH
13. STATE: UTAH

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER
b. TYPE OF WORK: NEW WELL ☐ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☑ OTHER
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE, L.P.
3. ADDRESS OF OPERATOR: P.O.BOX 173779 CITY DENVER STATE CO ZIP 80217
PHONE NUMBER: (720) 929-6100
4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 845' FSL & 1627' FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPUDDED: 10/22/2008
15. DATE T.D. REACHED: 11/27/2008
16. DATE COMPLETED: ~~12/20/2008~~ 6/18/2010 ABANDONED ☐ READY TO PRODUCE ☑
17. ELEVATIONS (DF, RKB, RT, GL): 4933 GL
18. TOTAL DEPTH: MD 9,190 TVD
19. PLUG BACK T.D.: MD 9,136 TVD
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR-SD/DSN/AITR/BCS
23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8" J-55	36#		2,400		675			
7 7/8"	4 1/2" I-80	11.6#		9,190		1,635			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,605							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	6,666	7,096		
(B) MESAVERDE	7,140	7,820		
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
6,666	7,096	0.36	64	Open ☑ Squeezed ☐
7,140	7,820	0.36	132	Open ☑ Squeezed ☐
				Open ☐ Squeezed ☐
				Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6666-6706	PUMP 724 BBLS SLICK H2O & 34,744 LBS 30/50 SAND
6954-7820	PUMP 5,407 BBLS SLICK H20 & 215,942 LBS 30/50 SAND

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

RECEIVED
JUL 27 2010
DIV. OF OIL, GAS & MINING

(5/2000) **(CONTINUED ON BACK)**

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
6/20/2010	6/22/2010	24		0	2,270	240	FLOWING

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
30/64	252	1,097					0	2,270	240	PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	1,348				
BIRD'S NEST	1,638				
MAHOGANY	2,143				
WASATCH	4,581	7,102			
MESAVERDE	7,114	9,190	TD		

35. ADDITIONAL REMARKS (Include plugging procedure)

ATTACHED IS THE RECOMPLETIONWELL HISTORY.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) ANDREW LYTLE TITLE REGULATORY ANALYST

SIGNATURE DATE 7/22/2010

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

US ROCKIES REGION

Operation Summary Report

Well: NBU 922-29NT	Spud Conductor: 10/22/2008	Spud Date: 10/26/2008	
Project: UTAH-UINTAH	Site: NBU 922-29NT		Rig Name No: MILES-GRAY 1/1
Event: RECOMPL/RESEREVEADD	Start Date: 6/11/2010		End Date: 6/18/2010
Active Datum: RKB @4,947.01ft (above Mean Sea Level)	UWI: 0/9/S/22/E/29/0/SESW/6/PM/S/845.00/W/0/1,627.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
6/14/2010	7:00 - 7:15	0.25	COMP	48		P		JSA-SAFETY MEETING #1
	7:15 - 13:00	5.75	COMP	30	A	P		ROAD RIG FROM 18 PAD WELL TO LOC, MIRU, PUMP 25 BBLS WTR DN TBG AND 30 BBLS WTR DN CSG, N/D WH, N/U BOP[S, R/U TBG EQUIP,
	13:00 - 16:30	3.50	COMP	31	I	P		R/U SCAN TECH INSPECTOR, TOOH W/ 2 3/8" TBG W/ SCAN TBG OUT, TOOH W/ 269 JTS YELLOW BAND AND 4 JTS RED BAND, NO SCALE BUILD UP, TOTAL 273 JTS 2 3/8" J-55 TBG, R/D SCAN TECH, SHUT WELL IN SDFN,
6/15/2010	7:00 - 7:15	0.25	COMP	48		P		JSA-SAFETY MEETING #2
	7:15 - 9:00	1.75	COMP	34	I	P		300# ON WELL, BLOWED DN TO TK, R/U CUTTER WIRELINE, RIH W/ 4 1/2: GAUGE RING TO 7900', RIH W/ HALLIBURTON 10K CBP, SET CBP @ 7850',
	9:00 - 10:30	1.50	COMP	30	F	P		N/D BOPS, N/U FRAC VALVE, FILL CSG W/ T-MAC WTR, PRESSURE TEST CSG AND FRAC VALVE TO 6200#,
	10:30 - 15:00	4.50	COMP	37	B	P		R/U CUTTER WIRELINE, RIH W/ PERF GUNS, PERF THE MESAVERDE @ 7816' - 7820', 7771' - 7773', 7717' - 7719', 7688' - 7690', 4-SPF, USING 3 3/8" SCALLOP GUNS, 23 gm, 0.36 HOLE, 90* PHS, 40 HOLES, SHUT WELL IN, SDFN,
6/16/2010	7:00 - 15:00	8.00	COMP	46				WAIT ON FRAC TECH TO FINISH FRAC ON PAD WELL, PLAN TO FRAC IN AM.
6/17/2010	7:00 - 9:00	2.00	COMP	48		P		SAFETY MEETING W/ FRAC, WIRELINE AND RIG CREW

Operation Summary Report

Well: NBU 922-29NT	Spud Conductor: 10/22/2008	Spud Date: 10/26/2008	
Project: UTAH-UINTAH	Site: NBU 922-29NT		Rig Name No: MILES-GRAY 1/1
Event: RECOMPL/RESEREVEADD	Start Date: 6/11/2010		End Date: 6/18/2010
Active Datum: RKB @4,947.01ft (above Mean Sea Level)	UWI: 0/9/S/22/E/29/0/SESW/6/PM/S/845.00/W/0/1,627.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation

	9:00 - 17:00	8.00	COMP	36	E	P		R/U FRAC TESH AND CUTTER WIRELINE, PRESSURE TEST SURFACE LINES TO 8000#,
								
								(STG #1) WHP = 247 #,
								BRK DN PER @ 3164 # @ 4.6 B/M, INJ-RT = 51.5 B/M, INJ-P = 5585 #, ISIP = 2751 #, F.G.= 0.79 , PUMP 3 BBL HCL AHEAD OF INJ., CALC 95% PERF OPEN, PUMP 1012 BBLS SLK WTR & 34188 # OTTAWA SAND, ISIP = 2315 #, F.G. = 0.74 , NPI = -436 #, MP = 5571 #, MR = 52.7 B/M, AP = 4448 #, AR = 52.5 B/M, 29188 # 30/50 SAND, 5000 # TLC SAND,
								COMMENTS = SLOW STARTING, BUT GOOD JOB
								
								(STG #2) RIH W/ HALLIBURTON 8K CBP AND PERF GUNS, SET CBP @ 7647 ', PERF THE MESAVERDE @ 7613' - 7617', 7450' - 7456', 4-SPF, USING 3 3/8" SCALLOP GUNS, 23gm, 0.36 HOLE, 90* PHS, 40 HOLES, WHP = 218 #, BRK DN PER @ 3606 # @ 4.7 B/M, INJ-RT = 52.3 B/M, INJ-P = 4319 #, ISIP = 2162 #, F.G.= 0.73 , CALC ALL PERF OPEN, PUMP 900 BBLS SLK WTR & 34198 # OTTAWA SAND, ISIP = 2198 #, F.G. = 0.73 , NPI = 36 #, MP = 5173 #, MR = 53 B/M, AP = 4012 #, AR = 52.5 B/M,
								29198 # 30/50 SAND, 5000 # TLC SAND,
								COMMENTS = GOOD JOB
								
								(STG #3) RIH W/ HALLIBURTON 8K CBP AND PERF GUNS, SET CBP @ 7400 ', PERF THE MESAVERDE @ 7368' - 7370', 7291' - 7296', 7220' - 7223', 4-SPF, USING 3 3/8" SCALLOP GUNS, 23gm, 0.36 HOLE, 90* PHS, 40 HOLES, WHP = 230 #,
								BRK DN PER @ 4083 # @ 4.3 B/M, INJ-RT = 51.7 B/M, INJ-P = 4884 #, ISIP = 1938 #, F.G.= 0.70 , CALC 70% PERF OPEN, PUMP 2032 BBLS SLK WTR & 79883 # OTTAWA SAND, ISIP = 2092 #, F.G. = 0.73 , NPI = 154 #, MP = 5432 #, MR = 53.4 B/M, AP = 4083 #, AR = 52.8 B/M,
								74883 # 30/50 SAND, 5000 # TLC SAND,
								COMMENTS = WAIT 15 MIN ON SAND TRUCK TO UNLOAD, GOOD PUMP JOB
								
								(STG #4) RIH W/ HALLIBURTON 8K CBP AND PERF GUNS, SET CBP @ 7173 ', PERF THE MESAVERDE AND WASATCH @ 7140' - 7143', 7094' - 7096', 7032' - 7035', 6954' - 6955', USING 3 3/8" SCALLOP GUNS, 23gm, 0.36 HOLE, 90* PHS, 36 HOLES, WHP = 242 #,
								BRK DN PER @ 3133 # @ 4.5 B/M, INJ-RT = 52.3 B/M, INJ-P = 4130 #, ISIP = 1438 #, F.G.= 0.64 , CALC 86% PERF OPEN, PUMP 1463 BBLS SLK WTR & 67673 # OTTAWA SAND, ISIP = 2080 #, F.G. = 0.73 , NPI = 642 #, MP = 5244 #, MR = 53.1 B/M, AP = 3712 #, AR = 52.5 B/M,
								62673 # 30/50 SAND, 5000 # TLC SAND,
								COMMENTS = WAIT ON SAND TRUCK TO UNLOAD FOR 15 MIN, GOOD PUMP JOB,
								
								(STG #5) RIH W/ HALLIBURTON 8K CBP AND PERF GUNS, SET CBP @ 6736 ', PERF THE WASATCH @ 6704' - 6706', 6666' - 6674', USING 3 3/8" SCALLOP GUNS, 23gm, 0.36 HOLE, 90* PHS, 40 HOLES, WHP = 171 #,

US ROCKIES REGION

Operation Summary Report

Well: NBU 922-29NT	Spud Conductor: 10/22/2008	Spud Date: 10/26/2008	
Project: UTAH-UINTAH	Site: NBU 922-29NT		Rig Name No: MILES-GRAY 1/1
Event: RECOMPL/RESEREVEADD	Start Date: 6/11/2010		End Date: 6/18/2010
Active Datum: RKB @4,947.01ft (above Mean Sea Level)	UWI: 0/9/S/22/E/29/0/SESW/6/PM/S/845.00/W/0/1,627.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
								BRK DN PER @ 2480 # @ 4.5 B/M, INJ-RT = 53.3 B/M, INJ-P = 3865 #, ISIP = 1249 #, F.G.= 0.63 , CALC 80% PERF OPEN, PUMP 724 BBLS SLK WTR & 34744 # OTTAWA SAND, ISIP = 1938 #, F.G. = 0.73 , NPI = 689 #, MP = 4566 #, MR = 53.3 B/M, AP = 3665 #, AR = 52.6 B/M, 29744 # 30/50 SAND, 5000 # TLC SAND, COMMENTS = LOST CHEMICAL PUMP FOR 1/2 MIN, GOOD JOB (KILL PLUG) RIH W/ HALLIBURTON 8K CBP, SET CBP @ 6616', R/D CUTTER AND FRAC TECH, TOTAL FLUID = 6131 BBLS SLK WTR, TOTAL SAND = 250,686 # OTTAWA SAND TOTAL SCALE INHIB = 585 GALS TOTAL BIOCIDE = 136 GALS, N/D FRAC VALVE, N/U BOPS, R/U TBG EQUIP, SDFN.
6/18/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, TRIPPING TBG OUT OF DERICK.& DRILLING CBPS.
	7:30 - 18:30	11.00	COMP	31	I	P		TALLY IN HOLE W/ 37/8 SEALED BIT, POBS, 1.875 X/N & 209 JTS 23/8 J-55. TAG UP @ 6585' RU DRLG EQUIP, BROKE CIRC & TEST BOPS TO 3,000# PSI RIH. C/O 30' SAND TAG 1ST PLUG @ 6616' DRL PLG IN 8 MIN 400# PSI INCREASE RIH. C/O 30' SAND TAG 2ND PLUG @ 6736' DRL PLG IN 2 MIN 200# PSI INCREASE RIH. C/O 30' SAND TAG 3RD PLUG @ 7173' DRL PLG IN 2 MIN 100# PSI INCREASE RIH. C/O 30' SAND TAG 4TH PLUG @ 7400' DRL PLG IN 3 MIN 100# PSI INCREASE RIH. C/O 30' SAND TAG 5TH PLUG @ 7647' DRL PLG IN 2 MIN 100# PSI INCREASE RIH. C/O 30' SAND TAG 6TH PLUG @ 7850' BROKE CIRC W/ AIR / N2, DRL PLG IN 4 MIN 200# PSI INCREASE, KILL TBG RIH. TAG UP @ 8998 DRILL TROUGH HARD SCALE TO 9013' C/O 124 ' SND TO 9134' PBTD @ 9137', CIRC WELL CLEAN. RD SWIVEL, L/D 17 JTS. LAND TBG ON 237 JTS 23/8 J-55. TAP 4 ARE YELLOW BAND. ND BOPS NU WH PMP OFF BIT W/ FOAM / N2, BLEW WELL AROUND, TURN WELL OVER TO FB CREW. KB = 14' 41/2 10K HANGER = .83' 273 JTS 23/8 J-55 = 8588.01' POBS & 1.875 X/N = 2.20' EOT @ 8605.04' TWTR = 6131 BBLS TWR = 1890 BBLS TWLTR = 4241 BBLS

US ROCKIES REGION

Operation Summary Report

Well: NBU 922-29NT	Spud Conductor: 10/22/2008	Spud Date: 10/26/2008
Project: UTAH-UINTAH	Site: NBU 922-29NT	Rig Name No: MILES-GRAY 1/1
Event: RECOMPL/RESEREVEADD	Start Date: 6/11/2010	End Date: 6/18/2010
Active Datum: RKB @4,947.01ft (above Mean Sea Level)	UWI: 0/9/S/22/E/29/0/SESW/6/PM/S/845.00/W/0/1,627.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
6/19/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 950#, TP 200#, OPEN/64" CK, 47 BWPH, HEAVY SAND, - GAS TTL BBLS RECOVERED: 2741 BBLS LEFT TO RECOVER: 3390
6/20/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1450#, TP 300#, OPEN/64" CK, 47 BWPH, HEAVY SAND, - GAS TTL BBLS RECOVERED: 4193 BBLS LEFT TO RECOVER: 1938
6/21/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1250#, TP 400#, OPEN/64" CK, 23 BWPH, MED SAND, 2.3 GAS TTL BBLS RECOVERED: 4866 BBLS LEFT TO RECOVER: 1265
6/22/2010	7:00 -							WELL IP'D ON 6/22/10 - 2270 MCFD, 0 BOPD, 240 BWPD, CP 1097#, FTP 252#, CK 30/64", LP 111#, 24 HRS
	7:00 -			33	A			7 AM FLBK REPORT: CP 1150#, TP 375#, OPEN/64" CK, 17 BWPH, MED SAND, 2.1 GAS TTL BBLS RECOVERED: 5685 BBLS LEFT TO RECOVER: 446
6/23/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1100#, TP 350#, OPEN/64" CK, 12 BWPH, LIGHT SAND, 2 GAS TTL BBLS RECOVERED: 6037 BBLS LEFT TO RECOVER: 94

API Well No: 43047401760000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1207

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 922-29NT

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047401760000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0845 FSL 1627 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 29 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 10/4/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	✓ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION TO TEMPORARILY ABANDON THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO TEMPORARILY ABANDON THE WELL TO DRILL THE NBU 922-29N PAD, WHICH CONSISTS OF THE NBU 922-29L3CS, NBU 922-29M2AS, NBU 922-29N2BS, NBU 922-29N3BS, NBU 922-30I4BS AND NBU 922-30I4CS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON PROCEDURE.

Approved by the Utah Division of Oil, Gas and Mining

Date: October 06, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE N/A		**DATE** 9/30/2010

RECEIVED September 30, 2010

NBU 922-29NT
845' FSL & 1627' FWL
NWSE SEC.29, T9S, R22E
Uintah County, UT

KBE:	4947'	**API NUMBER:**	4304740176
GLE:	4933'	**LEASE NUMBER:**	ST-U0-1207
TD:	9190'	**WINS#:**	24794
PBTD:	9136'	**WI:**	100.0000%
		NRI:	83.494445%

CASING: 17 1/2" hole
14" STL 50# csg @ 40' GL
Cemented to surface w/ 28 sx

12 1/4" hole
9 5/8" 36# J-55 @ 2400' (KB)
Cemented with 675 sx. TOC @ surface

7.875" hole
4 ½" 11.6# I-80 @ 9190'
Cemented w/ 1635 sx, TOC @ surface per CBL

TUBING: 2 3/8" 4.7# J-55 tubing landed at 8605'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.0217	0.0039
4.5" 11.6# N-80	3.875	6350	7780	0.6528	0.0872	0.0155
9.625" 36# K-55	8.921	2020	3520	3.247	0.434	0.0773
Annular Capacities						
2.375" tbg. X 4 ½" 11.6# csg				0.4227	0.0565	0.0101
4.5" csg X 9 5/8" 36# csg				2.4192	0.3231	0.0576
4.5" csg X 7.875 borehole				1.704	0.2276	0.0406
9 5/8" csg X 12 1/4" borehole				2.3436	0.3132	0.0558

GEOLOGIC INFORMATION:

Formation	Depth to top, ft.
Uinta	Surface
Green River	1348'
Bird's Nest	1638'
Mahogany	2143'
Wasatch	4581'
Mesaverde	7114'

Tech. Pub. #92 Base of USDW's

USDW Elevation	~1800' MSL
USDW Depth	~3147' KBE

RECEIVED September 30, 2010

PERFORATIONS:

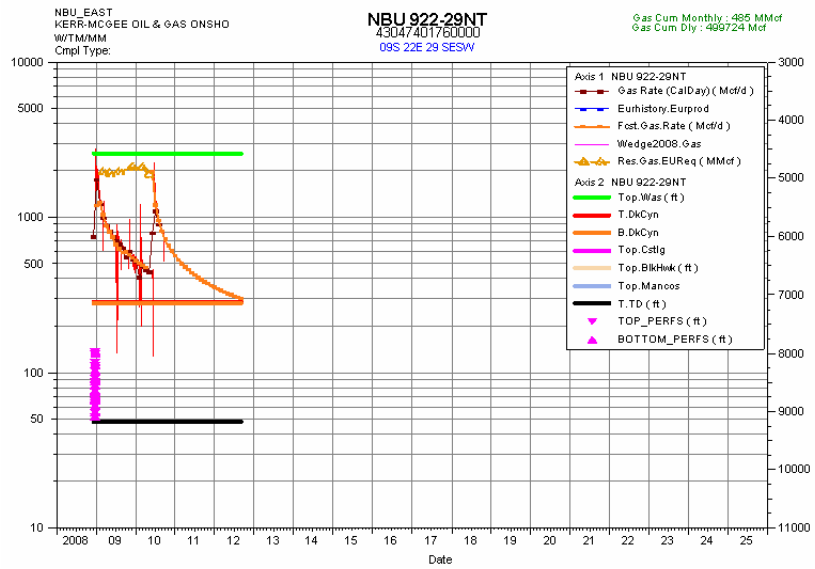
Formation	Date	Top	Btm	Spf	Status
Wasatch	Jun-10	6666	6674	4	Open
Wasatch	Jun-10	6704	6706	4	Open
Wasatch	Jun-10	6954	6955	4	Open
Wasatch	Jun-10	7032	7035	4	Open
Wasatch	Jun-10	7094	7096	4	Open
Mesaverde	Jun-10	7140	7143	4	Open
Mesaverde	Jun-10	7220	7223	4	Open
Mesaverde	Jun-10	7291	7296	4	Open
Mesaverde	Jun-10	7368	7370	4	Open
Mesaverde	Jun-10	7450	7456	4	Open
Mesaverde	Jun-10	7613	7617	4	Open
Mesaverde	Jun-10	7688	7690	4	Open
Mesaverde	Jun-10	7717	7719	4	Open
Mesaverde	Jun-10	7771	7773	4	Open
Mesaverde	Jun-10	7816	7820	4	Open
Mesaverde	Dec-08	7966	7972	4	Open
Mesaverde	Dec-08	8006	8010	4	Open
Mesaverde	Dec-08	8149	8152	2	Open
Mesaverde	Dec-08	8212	8216	3	Open
Mesaverde	Dec-08	8299	8306	3	Open
Mesaverde	Dec-08	8430	8437	3	Open
Mesaverde	Dec-08	8484	8487	3	Open
Mesaverde	Dec-08	8551	8555	3	Open
Mesaverde	Dec-08	8649	8652	3	Open
Mesaverde	Dec-08	8738	8742	3	Open
Mesaverde	Dec-08	8779	8782	3	Open
Mesaverde	Dec-08	8820	8823	3	Open
Mesaverde	Dec-08	8908	8911	3	Open
Mesaverde	Dec-08	9015	9020	3	Open
Mesaverde	Dec-08	9092	9097	3	Open

WELL HISTORY:

- Spud Well 10/22/08, TD'd 11/27/08
- Dec '08 – Completed MV zones (7966 – 9097') with 5 slickwater frac stages using 501,504# 30/50 sand & 13,537 bbls fluid. C/O to PBTD and turn to sales.
- 12/20/08 – 1st Sales, FTP 2375#, CP 2000#, CK 20/64", 1700 MCFD, 1128 BWPD
- 6/1/10 – Recomplete Upper MV/Was zones (6666' – 7820'), land tbg & RTP

Recommended future action for disposition of well bore:

Temporarily abandon the wellbore during the drilling and completion operations of the NBU 922-29N pad wells. Return to production as soon as possible once completions are done.



NBU 922-29NT TEMPORARY ABANDONMENT PROCEDURE

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDE. PREMIX 5 GALLONS PER 100 BBLS FLUID.
- NOTIFY UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

Note: An estimated 23 sx Class "G" cement needed for procedure

Note: Gyro ran to 8550' 5/7/09

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.

2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL. A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.

3. **PLUG #1, ISOLATE MV/WAS PERFORATIONS (6666' – 9097'):** RIH W/ 4 ½" CBP. SET @ ~6615'. RELEASE CBP, PUH 10', BRK CIRC W/ FRESH WATER. PRESSURE TEST CASING TO 500 PSI. INFORM ENGINEERING IF IT DOESN'T TEST. DISPLACE A MINIMUM OF **4 SX/ 0.8 BBL/ 4.36 CUFT**. ON TOP OF PLUG. PUH ABOVE TOC (~6565'). REVERSE CIRCULATE W/ TREATED FRESH WATER.

4. **PLUG #2, PROTECT WASATCH TOP (4581'):** PUH TO ~4685'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX/ 3.1 BBL/ 17.88 CUFT** AND BALANCE PLUG W/ TOC @ ~4480' (205' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.

5. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER BLM GUIDELINES.

6. RDMO. TURN OVER TO DRILLING OPERATIONS.

ALM 9/23/10

RECEIVED September 30, 2010

API Well No: 43047401760000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1207

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 922-29NT

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047401760000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0845 FSL 1627 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 29 Township: 09.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 12/23/2010	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
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	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	✓ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator has concluded the temporarily abandonment operations on the subject well location on 12/23/2010. This well was temporarily abandoned in order to drill the NBU 922-29N Pad, which consists of the NBU 922-29L3CS, NBU 922-29M2AS, NBU 922-29N2BS, NBU 922-29N3BS, NBU 922-30I4BS and NBU 922-30I4CS. Please see attached chronological well history.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
12/31/2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 12/28/2010

RECEIVED December 28, 2010

US ROCKIES REGION

Operation Summary Report

Well: NBU 922-29NT	Spud Conductor: 10/22/2008	Spud Date: 10/26/2008	
Project: UTAH-UINTAH	Site: NBU 922-29N PAD		Rig Name No:
Event: ABANDONMENT	Start Date: 12/21/2010		End Date: 12/23/2010
Active Datum: RKB @4,947.00ft (above Mean Sea Leve	UWI: 0/9/S/22/E/29/0/SESW/6/PM/S/845.00/W/0/1,627.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
12/22/2010	7:00 - 7:30	0.50	ABAND	48		P		RIG MOVING
	7:30 - 7:30	0.00	ABAND	45		P		MIRU,1700# CSG, TBG, BLOW DWN WELL, KILL WELL WITH 100 BBLS TMAC, NDWH, NU BOP'S, RU PRS, SCAN TBG OOH.
	7:30 - 16:00	8.50						
12/23/2010	7:00 - 7:30	0.50	ABAND	48		P		SETTING PLUGS
			ABAND	51		P		KILL WELL WITH 80 BBLS TMAC, RU CUTTERS, TIH WITH CBP TO 6590' SET CBP, POOH, PU BAILER, BAIL 4 SX CEMENT ON CBP, RD CUTTERS, TIH WITH 149 JTS, 4695', BREAK CIRC, PRESSURE TEST TO 500# 10 MIN, RU PRO PETRO, PUMP CEMENT BALANCED PLUG. PUMP2.5 BBLS FRESH WTR, 20 SX CLASS G 1.145 YIELD, 4.9 GW/SX, DENISTY 15.8#, 4.1 BBLS, DISPLACE WITH 1 BBL FRESH WTR, 16.2 BBLS TMAC,RD PRO PETRO, POOH LAY DWN 172 JTS 4695' TBG ON TLR, ND BOP'S, CALL FMC TO REMOVE WH, RDMO.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
ST UO 1207

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 922-29NT

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047401760000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6515 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0845 FSL 1627 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESW Section: 29 Township: 09.0S Range: 22.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 6/23/2011	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
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	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This previously temporarily abandoned well has returned to production. This well returned to production on 06/23/2011. EOT is at 8,601'.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE		**DATE**
N/A		6/28/2011

RECEIVED Jun. 28, 2011